JOURNAL

of the

SENATE

of the

GENERAL ASSEMBLY

of the

COMMONWEALTH OF KENTUCKY

Regular Session of 1964

Held in the State Capitol in the Capital City of Kentucky, at
Frankfort, in the Year of Our Lord 1964 and
in the One Hundred and Seventy-Second
Year of the Commonwealth

Begun on the Seventh Day of January, 1964, and Adjourned
Sine Die on the Twentieth Day of March, 1964

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by
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Kentucky Legislative Research Commission
Frankfort, Kentucky
October 1, 1964

FOREWORD

The Constitution requires each house of the General Assembly to keep a Journal of its proceedings. The Journal is intended to assure a public account of legislative activity and constitutes the final official record of action by the General Assembly.

Under the provisions of Section 6.161, 6.162 and 57.151 of the *Kentucky Revised Statutes,* the Legislative Research Commission is responsible for comparing, editing, correcting, and publishing the Journals as approved by each house of the General Assembly. This volume represents the fulfillment of that obligation.

The text of a bill is spread in full when it receives a first reading. The roll call on passage of a bill is indicated upon its receipt of a third reading. Simple and concurrent resolutions are printed when adopted and joint resolutions are treated as bills. A table of actions on bills and resolutions is appended.

Mrs. Elizabeth Ashcraft prepared the 1964 Senate Journal. Mr. Courtenay J. Walker, Administrative Assistant to the Director, edited the copy for the Legislative Research Commission, and prepared the index to this volume.

JAMES T. FLEMING
Director

Frankfort, Kentucky
October 1, 1964

JOURNAL

OF THE

KENTUCKY SENATE

COMMONWEALTH OF KENTUCKY

REGULAR SESSION OF 1964

TUESDAY, JANUARY 7, 1964

FIRST LEGISLATIVE DAY

At a General Assembly of the Commonwealth of Kentucky, held at the Capitol in the City of Frankfort, and begun on January 7, 1964, the one hundred and seventy-second year of the Commonwealth, in accordance with the provisions of the Constitution, the Honorable Harry Lee Waterfield, Lieutenant Governor of the Commonwealth, and President of the Senate, assumed the chair and called the Senate to order.

Prayer by the Reverend John C. Chenault of the First Christian Church of Frankfort.

Mr. John W. Willis, Chief Clerk of the Senate of the 1962 General Assembly, read the following certificate from the Secretary of State:

COMMONWEALTH OF KENTUCKY)
COUNTY OF FRANKLIN)

I, Thelma L. Stovall, Secretary of State of the Commonwealth of Kentucky, do hereby certify that, according to the records in the office of the Secretary of State of the Commonwealth of Kentucky, and the best information obtainable, the attached is a true and correct list of the duly elected and qualified members of the General Assembly of the Commonwealth of Kentucky.

Given under my hand and seal of office this 7th day of January, 1964.

Thelma L. Stovall
Secretary of State
Commonwealth of Kentucky

1. Fulton, Hickman, Carlisle, Graves, Marshall, George G. Brandt, Democrat, Mayfield.
2. Ballard, Carlisle, Livingston, McCracken, Tom Garrett, Democrat, Paducah.
3. Pike, Dr. Foster Spence, Republican, Pikeville.
4. Hendreson, Union, Webster, J. Murray Blue, Democrat, Providence.
5. Muhlenberg, Todd, Butler, Logan, Simpson, Thomas M. Brizendine, Democrat, Franklin.
6. Christian, Hopkins, Frederick E. Nichols, Democrat, Madisonville.
7. Jefferson, Robert P. Layne, Republican, Louisville.
8. Daviess, Hancock, McLean, Casper (Cap) Gardner, Democrat, Owensboro.
9. Larue, Hart, Barren, Metcalfe, Allen, James H. Newberry, Democrat, Hiseville.
10. Breckinridge, Butler, Grayson, Ohio, Paul L. Fuqua, Republican, Hardinsburg.
11. Campbell, Donald L. Johnson, Republican, Ft. Thomas.
12. Bullitt, Hardin, Larue, Meade, Spencer, J. D. (Jiggs) Buckman, Jr., Democrat, Salt River.
13. Fayette, Shelby C. Kinkead, Democrat, Lexington.
15. Taylor, Casey, Lincoln, Pulaski, McCreary, O. O. Duncan, Republican, Whitley City.
16. Clinton, Cumberland, Monroe, Russell, Wayne, Dr. Wm. C. Mann, Republican, Marrowbone.
17. Bell, Knox, Whitley, Durham W. Howard, Republican, Pineville.
18. Boyle, Casey, Garrard, Lincoln, John W. (Billy) Swope, Republican, Harrodsburg.
19. Rockcastle, Jackson, Owsley, Laurel, Clay, Pleaz Wm. Mobley, Republican, Manchester.
20. Anderson, Franklin, Scott, Shelby, Marvin Edwards, Democrat, Lawrenceburg.
21. Harlan, Leslie, Clay Gay, Republican, Sizerock.
22. Jessamine, Madison, Mercer, Woodford, Mrs. Hazel Cobb, Democrat, Richmond.
23. Letcher, Perry, William "Billy" Engle, Democrat, Hazard.
24. Kenton, James C. Ware, Democrat, South Fort Mitchell.
25. Boyd, Lawrence, Johnson, Wendell Van Hoose, Republican, Tutor Key.
26. Boone, Carroll, Gallatin, Henry, Oldham, Owen, Trimble, Alvin Kidwell, Democrat, Sparta.
27. Mason, Fleming, Bath, Rowan, Menifee, Morgan, Ed J. Kelly,

Democrat, Flemingsburg.

28. Bourbon, Clark, Estill, Montgomery, Powell, Mrs. Vandetta L. Derickson, Democrat, Stanton.
29. Martin, Floyd, Knott, Fairis Johnson, Democrat, Martin.
30. Bracken, Grant, Harrison, Nicholas, Pendleton, Robertson, Wilson Palmer, Democrat, Cynthiana.
31. Calloway, Christian, Trigg, Owen Billington, Democrat, Murray.
32. Carter, Elliott, Greenup, Lewis, Bert Kiser, Democrat, Olive Hill.
33. Jefferson, Bernard J. Bonn, Democrat, Louisville.
34. Breathitt, Lee, Magoffin, Morgan, John Raymond Turner, Democrat, Jackson.
35. Jefferson, Martin J. Duffy, Democrat, Louisville.
36. Jefferson, Scott Miller, Jr., Republican, Louisville.
37. Jefferson, C. W. A. McCann, Democrat, Louisville.
38. Jefferson, Vernon C. McGinty, Republican, Louisville.

The following Senators produced their certificates of election, appeared before the bar of the Senate, and were administered their oaths of office by Chief Justice James B. Milliken of the Court of Appeals of Kentucky.

Owen Billington
Bernard J. Bonn
George G. Brand
Thomas M. Brizendine
O. O. Duncan
Martin J. Duffy, Jr.
William "Billy" Engle
Clay Gay
Durham W. Howard
Fairis Johnson
Donald L. Johnson
Ed J. Kelly
Shelby C. Kinkead
Robert P. Layne
C. W. A. McCann
Pleaz M. Mobley
James H. Newberry
Dr. Foster Spence
Wendell Van Hoose

The roll was called. All Senators present except Senator Nichols, who was granted leave of absence on motion of Senator Gardner.

The President announced that election of the Chief Clerk was in order. Senator Duffy nominated the Honorable John W. Willis, and he was elected by acclamation. The President declared that Mr. Willis was the duly elected Chief Clerk of the Senate.

Mr. Willis appeared before the bar of the Senate and was administered the oath of office by Chief Justice James B. Milliken of the Court of Appeals of Kentucky. The President vacated the chair for the newly elected Clerk.

Senator Duffy moved, seconded by Senator Kelly, that James C. Ware, Senator from the County of Kenton, be elected President Pro Tempore of the Senate.

Senator Swope moved that Wendell Van Hoose, Senator from the County of Johnson, be elected President Pro Tempore of the Senate.

There being no further nominations, the roll was called.

On the roll call the vote was for Senator Ware 22–Billington, Blue, Bonn, Brizendine, Buckman, Cobb, Derickson, Duffy, Edwards, Gardner, Garrett, Johnson, Kelly, Kidwell, Kinkead, Kiser, McCann, McGinty, Newberry, Palmer, Turner, Van Hoose. For Senator Van Hoose 11–Duncan, Fuqua, Gay, Howard, D. Johnson, Layne, Mann, Miller, Mobley, Swope, Ware.

The President, the Honorable Harry Lee Waterfield, resumed the chair.

The President announced that by virtue of his nomination by the Republican Party in caucus for President Pro Tempore the Honorable Wendell Van Hoose, Senator from the County of Johnson, would become Minority Floor Leader.

The President announced that election of other constitutional officers was in order. Senator Duffy moved that the following be so named:

Assistant Clerk of Senate–Mrs. Mary Purdy.
Sergeant-at-Arms–Jack Bunnell.
Enrolling Clerk–Elesteen Hager.
Chief Door Keeper–Walter E. Armour.
Chief Cloak Room Keeper–Jack McPherron.
Janitor–Luther F. Morgan.
Pages–Billy Clay Doane, Emmy Downes, Orville Reed Rhorer.

The above named officers were nominated by Senator Duffy and elected by acclamation. They appeared before the bar of the Senate and were administered their oaths of office by Judge Squire N. Williams, Jr., of the Court of Appeals of Kentucky.

Senator Duffy moved that Casper Gardner, Senator from the County of Davies, be elected as Majority Floor Leader.

Senator Swope moved that Wendell Van Hoose, Senator from the County of Johnson, be elected as Majority Floor Leader.

There being no further nominations, the roll was called.

On the roll call the vote was for Senator Gardner 20—Billington, Blue, Bonn, Brizendine, Buckman, Cobb, Derickson, Duffy, Edwards, Garrett, F. Johnson, Kelly, Kinkead, Kiser, McCann, Newberry, Palmer, Turner, Van Hoose, Ware. For Senator Van Hoose 13—Duncan, Fuqua, Gardner, Gay, Howard, D. Johnson, Layne, Mann, McGinty, Miller, Mobley, Spence, Swope.

The President declared Senator Gardner the duly elected Majority Floor Leader of the Senate.

The President asked the Senate to stand for a moment of silent prayer in honor of Senator Broadus E. Hickerson, who was killed in an automobile accident on his way to the 1964 regular session of the legislature, followed by prayer by the Reverend John C. Chenault.

Introduction of Resolutions

SR 1, by Senator Gardner: A RESOLUTION adopting permanent rules to govern the 1964 Regular Session of the Senate.
Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky:

That the following rules are adopted as the permanent rules to govern the Senate during the 1964 session of the General Assembly, superseding the rules under which the Senate has operated.

SESSIONS OF THE SENATE

Rule 1. Hours of Meeting. The Senate shall meet at 1:00 p.m., Eastern Standard Time, except on Monday, when it shall meet at 8:00 p.m., Eastern Standard Time. The official time shall be governed by the clock over the main entrance to the Senate Chamber.

Rule 2. Quorum. A majority of the Senators elected to the senate shall constitute a quorum. If a quorum is not present at the time fixed for a meeting of the Senate, four Senators may adjourn or recess from day to day or from time to time and eight Senators may order a call of the Senate and send for absent Senators.

Rule 3. Call of the Senate. Upon a call of the Senate the Clerk shall call the roll, then call the absentees again. The doors of the Senate Chamber shall then be closed and the absentees not excused by the Senate may be sent for and arrested by the Sergant-at-Arms. Th Senate shall determine upon what conditions they shall be discharged from arrest. Senators who voluntarily appear shall be immediately admitted to the floor of the Senate and their names entered upon the Journal as present, unless the Senate otherwise directs.

ORDERS OF BUSINESS

Rule 4. Order of Business. The order of business shall be as follows:

1. Invocation.
2. Roll Call.
3. Reading and approval of the Journal.
4. Motions, Petitions and Communications.
5. Reading of New Bills and Resolutions Introduced by Title and Sponsor.
6. Report of Committees.
7. First Reading of Bills.
8. Second Reading of Bills.
9. Orders of the Day.
10. Announcements.
11. Reference of Bills to Committees.

No more than thirty minutes shall be allotted to Motions, Petitions and Communications.

Rule 5. Unfinished Business. Unfinished business which was being considered upon adjournment shall have precedence in the class of business to which it properly belongs upon the next succeeding legislative day.

MOTIONS

Rule 6. Reading of Motions. When a motion has been made and seconded, it shall be stated by the chair, or, being in written form, it shall be read by the Clerk before debate, amendment or motion concerning it shall be in order.

Rule 7. Withdrawal of Motions. Every oral motion after it has been stated by the President, and every written motion, bill, resolution or other paper, after it has been read by the Clerk, shall be the property and in possession of the Senate and shall not be withdrawn without consent of the Senate. Every written motion, report or measure may be committed or recommitted at the pleasure of the Senate.

Rule 8. Order of Questions. All questions, whether in Committee of the Whole or in the Senate, when not a privileged question, shall be propounded in the order in which they were moved, except that in filling blanks the smallest sum and the most remote date shall be put first.

Rule 9. Precedence of Motions. When a question is under consideration, no motion shall be in order except:

1. To fix the time to which the Senate shall adjourn.
2. To adjourn.
3. To take recess.
4. To lay on the table.
5. For the previous question.
6. To postpone to a fixed time.
7. To commit.
8. To amend.
9. To postpone indefinitely.

The above several motions shall have precedence in the order in which they are arranged and the first five of them shall not be debatable.

A second motion to adjourn, to take a recess, to lay on the table, for the previous question, to postpone to a time certain, to commit or to postpone indefinitely shall not be in order on the same day, upon the same question, and at the same status unless other business intervenes; provided, however, that amendments may be made to the time to which it is proposed to adjourn, to take a recess or to postpone.

Rule 10. Motion to Strike Out Enacting Clause. A motion to amend by striking out the enacting words of a bill or resolution shall have precedence over a motion to amend; and, if adopted, shall have the same effect as though the bill or resolution were regularly voted upon and rejected.

Rule 11. Motion to Adjourn. A motion to adjourn, to take a recess, or a motion to adjourn to a time certain, shall always be in order, except when a Senator is speaking, while a vote is being taken; subject, however, to the limitations set out in Rule 9.

Rule 12. Previous Question. When the previous question has been ordered, a vote shall be taken immediately upon the pending measure and such pending amendments as are in order. The effect of the previous question shall be to put an end to all debate; to prevent the offering of additional amendments and to bring the Senate to an immediate vote upon the measure and amendments aforesaid. The previous question may be ordered by a majority of the Senators elected. On the call of the roll, no Senator shall be allowed to speak more than three minutes to explain his vote and shall not speak at all if the question is not a debatable question. After the previous question has been ordered, and before the vote upon the main question, the opponents of the measure shall have ten minutes, and proponents of the measure shall have ten minutes.

Rule 13. Motion to Separate Part of a Measure. A motion to commit, recommit, or postpone a part of a measure so as to separate that part of the measure from the remainder shall not be in order.

Rule 14. Motion to Reconsider. A motion to reconsider a vote shall not be in order unless made by a Senator who voted upon the prevailing side of the question; nor shall such motion be in order unless made within two legislative days in which the Senate is in session next after the day the vote was taken; however, the motion to reconsider when coupled with the additional motion to lay that motion upon the table may be made by any Senator.

Rule 15. Postponement of Measures. When a measure shall have been postponed indefinitely it shall not be in order again during the session.

Rule 16. Reading of Pending Papers. Any pending bill, resolution, motion or report shall be read by the Clerk upon the demand of any Senator, but it shall not again be read on the same day unless so ordered by the Senate.

Rule 17. Nominations. In all elections a previous nomination shall be made.

MEMBERS

Rule 18. Attendance of Members. No Senator shall absent himself from a session of the Senate without leave from the Senate.

Rule 19. Decorum of Members. No Senator shall designate another Senator by name.

Rule 20. Call to Order. If any Senator, in speech or otherwise, transgress the rules of order or decorum, he shall immediately be called to order by the chair and shall take his seat. The Clerk shall reduce the objectionable words to writing and read them to the Senate. After hearing a short explanation from the Senator called to order, or upon the withdrawal of the objectionable language, the President may permit the Senator to proceed, or may compel silence upon him until the matter is disposed of. The ruling of the chair shall be subject to an appeal to the Senate. A Senator offending the Senate shall be liable to censure.

Rule 21. Debate. No Senator may speak more than once to the same subject until all Senators desiring to be heard have spoken, but nothing in this rule shall do away with the previous question if then in effect, nor permit debate on an undebatable motion.

No Senator shall speak more than thirty minutes in the aggregate on any question or measure, at the end of which period, or any portion thereof, the floor shall be returned to the President.

Rule 22. Members Shall Vote at Seats. A Senator shall vote only when at his seat or visibly approaching it.

OFFICERS AND EMPLOYEES

Rule 23. Duties of President. The President shall take the chair every day precisely at the hour fixed for the meeting of the Senate and, on the appearance of a quorum, shall cause the Journal of the preceding day to be read, unless the reading of the same is dispensed with by the Senate.

The President shall preserve decorum and order and, in the event of any disorder in the gallery or in the Senate Chamber, may cause the same to be cleared of any persons creating disturbances or disorders.

All writs, warrants, subpoenas or other processes shall be signed by the officer who may be presiding over the Senate when the paper is issued; and his signature shall be attested by the Clerk, when ordered by a majority of the Senators.

The President shall appoint all committees and refer bills to committees.

Rule 24. Appeal from Decision of Chair. The president while presiding may speak to points of order in preference to Senators. He shall decide points of order and manner of procedure. If two or more Senators arise from their respective seats and address the chair, the President shall determine who was first and recognize him. Any decision made by the President shall be subject to appeal to the Senate. Every such appeal shall be in writing and signed by at least two Senators. During the pendency of an appeal to the Senate from a decision of the chair, the President shall vacate the chair and call the President Pro Tem to preside.

Rule 25. President Pro Tempore. If the President be called upon to administer the government or resign, die or be absent from the State, the President Pro Tem of the Senate shall have the rights and perform all the duties pertaining to the office of the President of the Senate. The President Pro Tem shall preside over the Senate in the absence of the President of the Senate. The President Pro Tem may designate any Senator to preside in the absence of both the President and President Pro Tem and to perform all duties of the President Pro Tem. Such designation by the President Pro Tem may be made from time to time or for such duration of time as the President Pro Tem may designate and each such designation shall be in writing filed with the Clerk of the Senate.

Rule 26. Duties of Clerk. The Clerk shall have charge and supervision of all the clerical business of the Senate. He shall have charge of the Clerk's section of the Senate Chamber and shall see that no one is permitted therein except himself and those assisting him. Half an hour before the time fixed for the meeting of the Senate each day, the Clerk or one of his assistants shall be present at the Clerk's desk with the minutes of the preceding session for the inspection of any Member of the Senate.

The Clerk shall read to the Senate papers ordered to be read; call the roll and note and report the absentees when a call of the Senate is ordered; call the roll and note the answers of members when a question is taken by yeas and nays; assist the President in taking the count when any vote of the Senate is taken; notify committees of their appointment and business referred to them; attest all writs, warrants and subpoenas issued by order of the Senate; keep a calendar showing such bills as are entitled to their second reading each day, distinguishing between House and Senate bills; superintend the engrossing and enrolling of bills; certify to the passage of all bills and to the adoption of all joint and concurrent resolutions by the General Assembly; and make all reports to the House, unless otherwise ordered.

Rule 27. Journal of Proceedings. The Clerk shall cause to be kept the Journal of the proceedings of the Senate. The Clerk shall note upon the Journal all questions of order, together with the disposition of same, and the dates upon which all bills and resolutions were sent to committee and returned to the Senate. The Senate may correct errors in the Journal the day the Journal containing errors is presented to the Senate. No record which is in the hands of the Clerk and is required by law to be entered upon the Journal of the Senate shall be copied by any person until same shall have been entered upon the Journal and said Journal shall have been approved.

The Clerk shall transmit the Journal for each day as soon as it has been approved by the Senate to the Legislative Research Commission, which shall deliver it to the public printer. The Commission staff shall proofread and index the Journal upon return from the printer and make necessary typographical corrections.

Rule 28. Custody of Papers. The Clerk shall have custody of all records, papers and bills of the Senate and shall not allow them to be taken out of his possession without the leave of the Senate, unless to be delivered to the chairman of a committee to which they have been referred or to the public printer, and then he shall take a proper receipt therefor. He shall endorse on bills and papers brief notes of proceedings had thereon by the Senate and preserve the same in convenient files for reference.

Rule 29. Accounts of Expenditures. The Legislative Research Commission shall keep the accounts for pay and mileage of members, officers and attaches, and for printing and other contingent expenses of the House and Senate.

Rule 30. Printing of Senate Papers. The Clerk shall have supervision and charge of all printing done for the Senate and the public printer shall print only such documents and other matter as the Clerk authorizes. He shall report to the President, to be submitted to the Senate, every failure of the printer to execute work correctly and promptly.

Rule 31. Duties of the Seargeant-at-Arms. It shall be the duty of the Seargeant-at-Arms and Doorkeeper to exclude or remove all persons not entitled to the floor of the Senate. Fifteen minutes before convening of the Senate each day the Sergeant-at-Arms shall announce in a loud, distinct voice: "All persons not entitled to the floor of the Senate under the rules thereof will now vacate the Senate Chamber." He shall then compel all persons who are not entitled to remain therein to leave the Senate Chamber and shall prohibit their entry until thirty minutes after the Senate has adjourned.

The Sergeant-at-Arms of the Senate, before any joint session is to be held, shall request the Sergeant-at-Arms of the House to arrange for the seating of the Members of the Senate in a body. The Senators will assemble in the Senate Chamber five minutes before the meeting of any joint session and go to the House in a body.

Rule 32. Conduct of Employees. All the constitutional employees of the Senate shall, one hour before the meeting of the Senate each day, report to the Clerk, who shall report to the President whether or not all of said employees are on duty. The President, whenever he deems it necessary, shall report to the Senate any dereliction of duty.

All other professional, clerical and other employees required by the Senate or any of its committees shall, as authorized by the President, be provided by the Legislative Research Commission and shall be under the general supervision of the President and the immediate supervision of the Director of the Commission. The Director of the Commission shall report any dereliction of duty by employees to the President of the Senate; and the President, whenever he deems it necessary, shall report to the Senate any dereliction of duty.

No officer or employee of the Senate shall receive any fee, tip or compensation from any Senator and violation of this rule shall be ground for dismissal.

Rule 33. Standing Committees. The following shall be the standing committees of the Senate:

Administrative Agencies
Agriculture and State Fair
Appropriations
Banking and Insurance
Conservation

Education
Enrollment
Executive and Legislative Affairs
Health and Welfare
Judiciary
Labor and Industry
Military Affairs and Civil Defense
Municipalities
Public Utilities
Revenue and Taxation
County Government
Suffrage, Elections and Constitutional Amendments
Transportation and Highways
Ways and Means

Rule 34. Rules Committee. No bill shall be considered by the Senate during the last fifteen legislative days of the session of the Senate or during any special session except upon the recommendation or report of the Rules Committee previously obtained. The Rules Committee shall determine the order in which bills shall be taken up and considered during the last fifteen legislative days.

If and when the time be fixed for the sine die adjournment of the session of the General Assembly, the last fifteen legislative days shall be held and construed to mean the last fifteen legislative days next prior to the time so fixed. If the resolution be adopted for sine die adjournment within fifteen days of the time fixed for such adjournment, then the Rules Committee shall take charge for such lesser number of days as may remain from the time such resolution for sine die adjournment is adopted and the time fixed for such adjournment.

The Majority Floor Leader of the Senate shall act as chairman of the Rules Committee. The Majority Floor Leader of the Senate shall act for the Rules Committee in calling from committee any bills or resolutions and shall be recognized by the President for said purpose during all times that the Rules Committee is in charge. The President Pro Tem shall act as chairman in the absence of the Majority Floor Leader.

Rule 35. Committee on Conference. When a Senate bill has been amended in the House and the Senate refuses to concur in said amendment, or when a House bill has been amended in the Senate and the House refuses to concur in said amendment, and when neither will recede from such action, the President shall appoint a Committee on Conference to meet a like Committee from the House. The Committee on Conference shall confer with the House Committee and report back to the Senate within a reasonable time, in the same manner as reports are made for Senate bills. The conference report shall be voted upon, and if adopted the bill shall immediately be put upon its final passage.

Rule 36. Appointment of Committees. The President shall appoint the members of all standing and special committees and shall fill any vacancies thereon. The President shall select members distributed as equally as possible from among Congressional districts, and in proportion to the representation of each political party in the Senate.

Rule 37. Meetings of Committees. No committee except the Committee on Enrollment, and a Committee on Conference between the House and Senate shall sit while the Senate is in session, unless by consent of the Senate. The Committee on Enrollment may report at anytime except during a roll call or while a vote is being taken.

The President in conference with committee chairmen, shall schedule a definite time and place for the meetings of each committee, such schedule to be posted in the Senate Chamber and published in the Legislative Record. A committee shall meet at the scheduled time and place so long as business is pending before the committee.

The Chairman shall keep a record of the attendance of members at meetings, which record shall be filed with the Clerk.

The Director of the Legislative Research Commission, under the direction of the President, shall assign a secretary to each committee and provide any professional, clerical or other employees required by any committee.

Rule 38. Committee Reports. Every Committee should report the disposition of every bill and resolution referred to it as promptly as possible. Upon the call of standing committees, the Clerk or the Chairman or ranking member of the committee may report the bill in the following manner:

"With the expression of opinion that the same should pass," or,

"With the expression of opinion that the same should pass, with the committee amendment attached thereto," or,

"With the expression of opinion that the same should pass, with the committee substitute attached thereto," or,

"With the expression of opinion that the same should not pass," or,

"Without expression of opinion."

Rule 39. Majority and Minority Reports. It shall require a majority of the committee membership to report a bill favorably. The chairman shall keep a record of the vote of each member on the disposition of each bill, and shall report the total vote on each side to the Senate. The chairman may sign reports on behalf of a majority of the committee members and his signature shall attest to the action of a majority but shall not be construed as his personal approval or disapproval of the bill.

A committee report may be accompanied by a minority report, signed by those members who have dissented from the committee's report, and it shall be in order to move the adoption of the minority report as a substitute for a committee's report when the committee offers its report. It shall require a majority of the members elected to adopt the minority report. The committee's report shall always be read before the minority report is read.

Rule 40. Failure to Report. Whenever a committee fails or refuses to report within a reasonable time a bill submitted to it, the same may be called up by any Senator and considered as if it had been regularly reported if a majority of Members elected to the Senate concur therein.

Rule 41. Procedure in Committee. The rules of procedure in the Senate shall be observed in committee in so far as the same are applicable.

BILLS AND RESOLUTIONS

Rule 42. Form of Bills. All bills shall be typewritten, with one original and four distinctly legible copies. The original shall be the official bill, and shall be retained by the Clerk for the use of the Senate and House. The second copy shall be used for committees. The third copy shall be for the use of the press and shall be given to a person designated by the press club. The fourth copy shall be provided to the Legislative Research Commission; and the fifth to the bill drafting section of the Commission. All copies shall be backed with a protective cover as provided for this purpose by the Legislative Research Commission. The title of the bill, or a portion thereof, and the signature of the Senator introducing the bill shall be placed on the cover.

In all bills introduced, which seek to amend existing sections of the Kentucky Revised Statutes, any new matter contained therein shall be underscored, and when printed the matters so underscored shall be printed in italics; and when an amendment is made by the omission or elimination of matter in an existing law, the author shall indicate such omission by placing the material proposed to be eliminated in brackets, and the printer shall insert such brackets on the printed copy. The President shall refer to the Legislative Research Commission any bills not conforming with this format for revision as to form. The Enrolling Clerk in enrolling a bill which contains deleted material appearing in brackets shall strike over such deleted matter.

Rule 43. Introduction of Bills. Bills and resolutions may be introduced from the floor in the regular Order of Business or by filing them with the Clerk at any time that his office is open and before the Senate adjourns for the day. The Clerk shall number bills in the order received, record their introduction, and transmit a copy immediately to the President for reference to committee.

Rule 44. Reference of Bills. The President shall refer all bills to the proper standing committee not later than the second day in which the Senate is in session after the date of introducion. When a Senate bill has been amended in the House and has been returned to the Senate for concurrence in the amendment, it may be referred to a committee in the same manner as original bills are referred. Bills originating in and passed by the House when reported to the Senate shall be referred to the President and shall take the same course as other bills.

Rule 45. Printing of Bills. The Legislative Research Commission shall examine the form of all bills to ensure that they are free from errors of form or typography. If a formal change is necessary, the Commission shall request the sponsor of the bill to sign a form approving the specified changes. If a bill is found to be correct, or corrections have been approved, the Commission shall authorize its printing.

The Legislative Research Commission shall have printed two hundred copies of each bill or resolution carrying the force and effect of law introduced in the Senate and of each bill or resolution carrying the force and effect of law acted on by the House and reported to the Senate. Bills shall be printed in the order in which they are certified by committee and distributed to Members immediately upon receipt from the printer. No bill shall be copied or distributed by any person until the same shall have been printed and returned with the printed copies thereof to the Clerk.

Rule 46. Reading of Bills. If a bill be reported with the expression of opinion that it should not pass, or without expression of opinion, a vote may then be taken on whether it shall be read at length and be placed on the Calendar, if a majority of the Members elected to the Senate shall concur therein. When reported favorably by the committee, a bill shall then be given its first reading at length and shall be placed by the clerk upon the Calendar to be kept by him, and shall then be entitled to its second reading the next succeeding legislative day.

Every bill shall be read at length on three different legislative days; but the second and third reading thereof at length may be dispensed with by a majority of all the members elected to the Senate and the bill read by its title.

Rule 47. Calendar. The Clerk shall keep a Calendar for each legislative day of the session showing the bills entitled to a second reading upon that day and shall post conspicuously the number of all bills recommended for said Calendar by the Rules Committee.

Rule 48. Orders of the Day. When a bill has had its second reading it shall be placed in the Orders of the Day, or be recommitted, and when next reached in the Senate it shall be ready for recommitment, or to be read a third time and placed upon its passage, and the President shall so announce to the Senate.

A bill may be recommitted or amended at any time before its passage. Bills shall be placed in the Orders of the Day in the order in which they have been given their second reading, and shall be taken therefrom in that order, unless otherwise ordered by a majority of Senators elected. When a Senate bill is in the Orders of the Day, it shall be in order on motion of the author to substitute an identical House bill which is in the Orders of the Day of the Senate.

Rule 49. Final Passage. When a Senate bill has been amended in the House and the Senate has concurred in the amendment, the bill as amended shall immediately be placed upon its passage.

Rule 50. Amendments to Bills. All amendments offered shall be on sheets with a proper heading printed in blank, furnished by the Clerk, and shall bear the signature of the Senators offering the same. All amendments shall give the proper page and line of the printed bill. Two copies of each amendment shall be introduced and the Clerk shall forward one copy to the Legislative Research Commission. No amendment shall be in order that is not germane to the matter under consideration; and the President, when the question is raised, shall rule as to the admissibility of the proposed amendment, subject to appeal to the Senate.

Rule 51. Engrossment of Bills. Every Senate bill and joint resolution, together with the amendments thereto, which has been passed by the Senate and not subject to further amendment or motion, shall be engrossed by the Clerk and so certified by him, endorsing thereon the day of passage or adoption. The bill shall be delivered to the House in open session by the Clerk or someone designated by him, and House concurrence asked therein. A like procedure shall be observed toward House bills.

When engrossing a bill, the Clerk may incorporate amendments by means of typing only. When an amendment strikes out any part of the original it shall be indicated in the engrossed copy by one parallel line over the part to be stricken out, in such a way as not to render illegible the original words.

Rule 52. Enrollment of Bills. All Senate bills and resolutions which have passed both the Senate and the House shall be delivered by the Senate Clerk to the Enrolling Clerk, taking a receipt therefor, in the order in which passed. The Senate Clerk shall keep the number and title of all bills and joint and concurrent resolutions carrying the force and effect of law, passed by the House of Representatives and the Senate in a suitable record book attesting the fact and date of passage.

In the event a bill which originates in the Senate is amended by the House and the Senate concurs in the amendments proposed and adopted by the House, the Clerk of the Senate shall engross said amendments in the original copy of the Senate bill, attesting the same, before delivering the bill to the Enrolling Clerk of the Senate. The Enrolling Clerk shall then cause the original bill as attested by the Chief Clerk and the safety copy of the bill as delivered from the House to conform to each other by typing in indelible typewriter ink or by writing in red ink the amendments engrossed in the original bill in the safety copy. In cases of extreme emergency and during the last three days prior to sine die adjournment, where no correct printed copy is available, the Enrolling Clerk may enroll such bill or resolution by typing the same on safety paper or by enrolling the same in longhand.

The original bill or resolution and a printed copy upon safety paper in the exact form as finally passed shall be certified to by the Enrolling Clerk and delivered to the Committee on Enrollment. The Committee on Enrollment and the Enrolling Clerk shall jointly compare the original bill with the enrolled copy, and if the enrollment is ascertained to be correctly done, the Committee shall report the same to the Senate. If any bill or resolution is found not correctly enrolled, it shall be returned to the Enrolling Clerk to be properly enrolled and delivered to the Committee on Enrollment as is first provided therein.

Rule 53. Signing of Bills. The Enrolling Clerk of the Senate shall deliver the original and enrolled copies of Senate bills and resolutions signed by the President to the Chairman of the Enrollment Committee of the House for presentation to the Speaker of the House for his signature. When signed by the Speaker of the House, the enrolled bill or resolution and the original copy thereof shall be returned by the Enrolling Clerk to the Clerk of the Senate who shall present the enrolled bill or resolution to the Governor for his approval and take his receipt for same.

Rule 54. Resolutions. Resolutions having the force and effect of law shall be treated and considered as bills in all respect under these rules.

VOTING

Rule 55. Roll Call. Any member, with a second, may demand a roll call on any matter pending before the Senate. The names of

Senators shall be arranged alphabetically when taking a yea and nay voted.

Rule 56. Pairing. All pairs announced in the Senate shall be entered on the Journal.

Rule 57. Division of the Senate. If the President be in doubt as to the result of a viva voce, or a division demanded, the Senate shall divide. Those voting in the affirmative shall first rise and be counted, and the President shall announce the number of those so voting. Those voting in the negative shall then rise and be counted and the President shall announce the number so voting. He may appoint tellers to count those voting.

Rule 58. Adjournment Extending During Roll Call. When the roll is being called in taking a yea and nay vote, and the hour of an adjournment arrives, the same shall stand extended until after said yea and nay vote has been completed and the result announced.

PRIVILEGE OF THE FLOOR

Rule 59. Persons Entitled to the Floor. No person shall be permitted upon the floor of the Senate when in session except the present members of the General Assembly and all officers and employees of the Senate and members of the immediate family of Senators. Bona fide newspaper correspondents, designated in writing by the daily newspapers or press service they represent, shall be admitted to the floor when recommended by the President and shall be governed by the rules of the Senate and assigned by the President to a press section specifically set aside for them. The Clerk of the Senate shall provide proper identification for families of Senators. The doorkeepers shall not admit such person without proper identification.

Any person may be extended the privilege of the floor by invitation of the President, but such privilege shall be extended only for a specified time and purpose. No person who shall have been extended the privilege of the floor for a specified time shall engage in any activities for or against any bill, motion or other proceeding upon the floor of the Senate while in session. No privilege of the floor shall be granted to any registered or unregistered lobbyist or legislative agent if the same be known by the Senate, and it shall be the duty of any Senator having such knowledge to bring it to the attention of the Senate, and lobbying shall be grounds for revocation of this privilege.

A special section of the gallery shall be reserved for the guests of members, who shall be admitted upon presentation of an identification card. Senators may submit the names of guests to the Clerk, who shall read the names to the Senate.

Rule 60. Lobbying in Senate Chambers. No person shall engage in lobbying for or against any measure while the Senate is in session, or in recess, in any of the corridors or passages or in any of the rooms in that part of the Capitol assigned to the use of the Senate, and no registered lobbyist shall enter that part of the Capitol while the Senate is in session. This rule shall not be construed to prohibit the use of the corridors or passages in going to and from the Senate galleries by any person.

RULES

Rule 61. Jefferson's Manual. In the absence of a specific rule of the Senate, Jefferson's Manual of Parliamentary Practice shall govern the proceedings, except that in all cases where general parliamentary law provides for a rule of two-thirds, it shall mean in this Senate a majority of all the members elected thereto.

Rule 62. Change of Rules. The Rules of the Senate, after their adoption, shall not be altered, changed, amended, suspended or interrupted, unless the same be done by a majority of the members elected to the Senate. Whenever a rule is suspended, no measure shall be considered under suspension except the measure or measures in whose favor the suspension was invoked, and only for that day.

Senator Buckman moved that the Senate operate under the 1962 Rules until Monday night, January 13, at which time the Senate would consider and vote on **SR 1.**

The President ordered a roll call on Senator Buckman's motion.

On the roll call the vote was yeas 8—Buckman, Garrett, Howard, Kidwell, Kinkead, Kiser, Layne, Mobley. Nays 21—Billington, Bonn, Brizendine, Cobb, Derickson, Duffy, Edwards, Gardner, Gay, D. Johnson, F. Johnson, Kelly, McCann, McGinty, Miller, Newberry, Spence, Swope, Turner, Van Hoose, Ware.

The motion to operate under 1962 Rules until January 13 was defeated.

Senator Gardner moved the adoption of **SR 1.** Agreed.

SR 2, by Senators Gardner, (and all members of the Senate).

Sponsors of **SR 2:** Billington, Blue, Bonn, Brand, Brizendine, Buckman, Cobb, Derickson, Duffy, Duncan, Edwards, Engle, Fuqua, Garrett, Gay, Howard, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Spence, Swope, Turner, Van Hoose, Ware: A RESOLUTION declaring a period of mourning for Broadus E. Hickerson.

WHEREAS, our colleague Broadus E. Hickerson met with an untimely death on January 6, 1964, while traveling to attend the session of the Senate, which he so dearly loved and so ably served; and

WHEREAS, his final intent demonstrated the nature of this man, true to his duty and steadfast in his purpose; and

WHEREAS, this body and each and every member has suffered a grievous loss with the passing of this oak, who was ever-present when needed, and whose word was his bond; and

WHEREAS, the old Fourteenth Senatorial District of the Counties of Green, Marion, Nelson, Taylor and Washington, so rich in tradition and so much in the heart of this Commonwealth, was never more ably served than it was in the person of Broadus E. Hickerson, the last of the sons of the old Fourteenth District to be elected to a full term in this Senate.

NOW, THEREFORE,

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky:

Section 1. That this body does declare itself to be in a period of mourning in memory of our friend, the late Senator Broadus E. Hickerson; and that this period of mourning shall extend for thirty days.

Section 2. That the Sergeant-at-Arms of the Senate is directed to half-mast the flag which flies over this body while in session during the prescribed period of mourning.

Section 3. That the Clerk of the Senate is directed to express by proper condolence to the family of Broadus E. Hickerson, the friendship and love which we had for this man, and the real loss we have suffered with his passing.

Secton 4. That the President of the Senate shall appoint a committee of this body to represent the Senate at the final rites for our brother.

Section 5. That when the Senate does adjourn this day, it does so in the memory of the late Broadus E. Hickerson, and that we resolve to conduct our affairs in the same gracious manner in which this gentleman did serve the Senate and the Commonwealth.

Senator Gardner moved the adoption of **SR 2.** Agreed.

The President announced the following committee to attend the funeral of Senator Hickerson: Senators Miller, Fuqua, Kidwell, Ware and Mann. The funeral will be at eleven a.m., Thursday.

SR 3, by Senator Gardner: A RESOLUTION authorizing appointment of a committee of the Senate to wait upon the House and the Governor.

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky:

That a committee of this Senate be appointed by the President to wait upon the House and notify that body that this Senate is now organized and ready to proceed to the transaction of business and that said committee shall, in conjunction with a like committee from the House, wait upon the Governor and inform him that the General Assembly is now organized and ready to receive any communications he may desire to deliver.

Senator Gardner moved the adoption of **SR 3.** Agreed.

The President appointed Senators Billington, Chairman, Kidwell and Johnson to said committee.

SR 4, by Senator Gardner: A RESOLUTION relating to extending an invitation to the pastors of Frankfort churches to open sessions of the Senate with prayer.

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky:

That the Sergeant-at-Arms be directed to invite the pastors of the various churches to attend the meetings of this Senate and open the sessions thereof with prayer.

Senator Gardner moved the adoption of **SR 4.** Agreed.

Communications

The Clerk read the following communications:

January 6, 1964

DEAR FRIEND:

You are extended a very cordial invitation to attend the first Legislative Prayer Fellowship Breakfast of the 1964 Legislative session which will be held (tomorrow) Wednesday morning January 8th at 8:00 A.M. in the Cafeteria of the Capitol Annex Building.

All members of the Legislature, state officials, commissioners and other officials and guests will be introduced at the Breakfast.

If you are an early-early riser and have already eaten breakfast before 8:00, then come on anyhow and have a second cup of coffee during the program. Would you like to bring your wife or husband? Then please do so, for we would like to meet your companion.

PROGRAM

INVOCATION by Bishop Walter C. Gum, Methodist Church

BREAKFAST:

WELCOME: by Gov. Breathitt and Lt. Gov. Waterfield

INTRODUCTIONS:

SPEAKER: Dr. C. R. Daley, Editor of "Western Recorder" (State Baptist Paper)

BENEDICTION:

(Entire program including breakfast will never be held longer than an hour to hour and fifteen minutes.)

MEMORANDUM
TO: All Members of the 1964 General Assembly
FROM: Edward T. Breathitt, Governor
DATE: January 6. 1964

The first prayer breakfast of the 1964 General Assembly will be held in the Capitol Annex cafeteria at 8:00 a.m., Wednesday, January 8. The speaker will be Dr. C. R. Daley, editor of the Western Recorder. I hope that you will make a special effort to attend this meeting.

Senator Mann moved to suspend the Rules for the purpose of introducing bills. Agreed.

Introduction of Bills

SB 1, by Senator Mann: AN ACT relating to motor vehicle safety equipment.

SB 2, by Senator Ware: AN ACT changing the classification of the City of Lookout Heights, in Kenton County.

Recess

Senator Gardner moved that the Senate recess for the purpose of proceeding to the House of Representatives to hear the message to be delivered by the Governor. Agreed.

Joint Session

The Senate proceeded to the House of Representatives, where they entered upon the floor. The Honorable Harry Lee Waterfield, Lieutenant Governor and President of the Senate, assumed the chair and called the Joint Session to order.

Prayer by the Reverend John C. Chenault of the First Christian Church of Frankfort.

Representative Denham moved that the roll call be dispensed with. Agreed.

The Committee appointed to wait upon the Governor appeared with his Excellency, Edward T. Breathitt, Jr., Governor of the Commonwealth of Kentucky, who took his place at the Clerk's desk and addressed the General Assembly as follows:

LIEUTENANT GOVERNOR WATERFIELD
MR. PRESIDENT PRO-TEM OF THE SENATE
MR. SPEAKER OF THE HOUSE
MEMBERS OF THE GENERAL ASSEMBLY:

I am pleased to be with you here today as you open the 1964 regular session of the General Assembly—a session that will have great bearing on the future course of our Commonwealth.

First of all, it is gratifying to me that we function under a system of government that, although it separates the executive and legislative branches, provides opportunity for the chief executive to report to the legislature and to lay before both its houses his recommendations on needed law.

This system—which provides separation, but allows and promotes cooperation—is the best ever devised, and I intend to respect and advance it. I will not appear before you often and there will be a minimum number of bills carrying the administration label.

But I will not hesitate to follow custom and my constitutional privilege in presenting and helping guide those measures which I think are important to the people of Kentucky.

This opportunity to be with you today is also pleasing to me for a personal reason. It was here in this chamber twelve years ago this week that I first entered State government.

I took my oath of office as a freshman member of the House of Representatives on a day such as this. I will always remember that day and will cherish those years I spent in that great deliberative body.

It is saddening to note today that a great legislative leader of that time and a great friend to me has recently passed from the scene. I refer, of course, to Dick Moloney, to whom I pay tribute as a great Kentuckian. We shall miss him greatly.

My legislative experience will, I believe, as no other experience could, help me understand your problems, your actions, and the job we have to do together in the days ahead.

I am also glad to be with you today to make this report on the state of the Commonwealth because there are many good things to report.

Kentucky has advanced in the last four years as in no similar period of our recent history. For this I pay tribute to former Governor

Bert Combs, to those of you who served in the legislature during that period and to many, many other imaginative, skilled, and dedicated public servants who have helped bring about this better day.

During this period gains have been made in education, highways, jobs, parks, and vacation facilities, farm income, health facilities, and welfare programs.

Our children are being taught by better qualified teachers than ever before and in better physical surroundings. Teachers are better paid than they have ever been.

More students are enrolling and being graduated from our university and state colleges than ever before in history. More and better jobs are available for them and for other qualified persons.

New highways stretch into all corners of the Commonwealth, and Kentucky, long called a detour state, is being honored not only for these new miles of road, but for its imaginative approach toward obtaining a highway system that is truly systematized and total in its coverage.

New parks and construction at existing facilities have given Kentucky the finest state parks system in the nation—a source of recreation for our citizens and a lure for the vacation money of out-of-staters.

Industrial jobs are on the increase and new industry that utilizes the products of our farms is making a new contribution in our rural areas. Per capita income in Kentucky is rising faster than in the nation as a whole.

Services relating to the health of Kentuckians are more adequate than in previous years and those persons dependent on welfare programs are being better taken care of.

We are cheered by and thankful for progress that has come to our Commonwealth, but it is one of the ironies of the modern, dynamic age in which we live that the state of progress we reached yesterday is not adequate to the needs of today—that once we pause in satisfaction or complacency the world moves on beyond us.

And so, while we count the milestones we have passed, we must look ahead to those yet to come, to new horizons in service to Kentucky. You and I must set new goals for ourselves and for those we represent.

The people of Kentucky did not choose me as their Governor to preside over a caretaker administration, a standstill government. If those in positions of leadership are content simply to tidy up the dust in state government, and trim the rough edges of existing programs, then we shall fail, and fail miserably, to meet our responsibilities. There are no rest stops on the road to progress.

In recent years, the people of Kentucky have learned that stagnation and inaction are not the necessary or predestined lot of Kentucky and Kentuckians. The people of our state have discovered that Kentucky and Kentuckians can, if they will, move ahead not as stragglers but as leaders in the attainment of a better life for our people.

Let there be no misunderstanding of my position, my policies, my hopes and intentions for the next four years. In education, in highways, in the development of our natural and human resources, in building a virile, dynamic economy, both industrial and agricultural, in ending the isolation and poverty to which thousands of our fellow-Kentuckians have been condemned, in recognizing the basic dignity and human personality of all Kentuckians, in whatever color, whatever class, whatever religious persuasion—in moving toward all these objectives I do not intend that Kentucky shall slow down her rate of advancement, but we move ahead at an ever-quickening pace.

As I survey Kentucky's needs and Kentucky's goals for the next two years, and indeed for the next four years and the next generation, I see six great challenges to which we must respond if Kentucky is to answer her call to greatness:

1. Education is the pass-key to a better life and a better living for Kentuckians, both now and in the future. In an age which has brought to perfection the marvels of mechanization—in warfare, in industry, in agriculture, and in all aspects of our life, the human brain reigns more supreme than ever. Only men and women with basic skills and basic learning will be able to find employment or enjoyment in an age which has developed machines and problems, a way of life and a challenge to life, more complicated than human beings have ever known before.

Kentucky is committed to continued, rapid educational progress. We shall continue to build new classrooms, to buy better buses, to provide more laboratories, better physical facilities for our schools. But the teacher is and will remain the heart of the educational system —and quality instruction will come first in our program of progress.

To retain our qualified teachers, and to attract more and better teachers for our children, we have pledged a $500 annual increase in the average teacher's salary under the Foundation Program, to be attained in two successive annual steps over the coming biennium. My budget message will provide for these increases, as well as for other needed improvements in the educational system.

We shall be facing a crisis in higher education during the coming biennium. Applicants for admission to our institutions of higher learning are increasing in number each semester, and we must face boldly the need for progress in higher education equivalent to that which

Kentucky achieved in primary and secondary education with the enactment and improvement of the Foundation Program in 1954, 1956, and 1960.

If we are to make a commitment of this character and magnitude, then we must make certain that our system of higher education is organized along proper lines, to assure the wisest possible investment of the funds required and the greatest possible return in the form of top quality education at the college and graduate level.

Higher education is recognized in legislation I am recommending to you today by a bill to formalize financial aid being given to the University of Louisville.

The requirements of industry in an age of automation have raised our system of vocational education to a position of highest importance. Old-fashioned methods and old-fashioned skills have become outdated and outmoded. Fortunately, Kentucky has, in its system of area vocational schools, pioneered in the field of progressive vocational education.

We must complete our plans for the construction and expansion of area vocational schools. Generous assistance from government will make it possible to re-train many of our unemployed and displaced workers for new job opporunities. Unfortunately, there are many of our unemployed who do not possess the basic literacy to enable them to take advantage of these opportunities. We must, therefore, launch a long-range attack on adult illiteracy, through a comprehensive program of adult education over a period of years.

Moving ahead in all these sectors of educational effort, Kentuckians can look forward to the day when all our people, children and adults, will be equipped with the best that quality education can offer in preparing them to make a good living and live a good life.

2. Human Rights. Democracy and the democratic philosophy are based upon two propositions which may seem contradictory but which are in fact complementary: all men are equal and all men are different.

Men are not inherently equal in talent, in tastes, in opinions, in mental capacity, or in many other attributes. It is these differences which make for the richness, the variety, and the unpredictable possibilities of life. Underlying, and indeed making possible all these differences, is a common humanity which belongs to man not because of government, or law, but because, as we believe, he is created in the image of God. Whatever denies the fundamental dignity which belongs to that common humanity the fact that in a complex and highly mobile society, property carries with it power to influence and sometimes to govern the lives and liberties of others.

It is for this reason that, throughout our history, but especially during the last century, property rights have been subject to reasonable regulation by the people's representatives in the interest of the public welfare. Health and safety codes, zoning ordinances, minimum wages, and many similar regulatory measures have restricted the rights of property whenever property has been used to injure or to degrade human beings.

Discrimination against individual citizens, or their exclusion from places of public accommodation, is a denial of basic human dignity. If a respectable, orderly, law-abiding citizen and his family are refused ordinary service in a restaurant, hotel, or motel, then property becomes supreme over people—and that is not consistent either with the fundamental assumptions of a democratic society or the fundamental principles of the Hebrew-Christian ethic. The Constitution of the United States provides that all persons born or naturalized in the United States shall be citizens, and we cannot set apart, upon grounds of race or color, a single class of citizens and permit them to be excluded from the simplest and most basic part of our common life.

The difficulty comes when society and government seek to secure observance of basic human rights in the most practical way, without undue turmoil and friction. Since 1960, our Human Rights Commission has operated in Kentucky on a voluntary basis—with much success, with great benefit, and without appreciable hardship to the proprietors of places of public accommodation.

Despite the success of these efforts, Kentuckians are still in many communities denied service in places of public accommodation, solely for reasons of race or color. This presents a challenge, and a serious challenge, to the conscience of Kentucky. I know not what course others may take, but as for me, I intend to meet that challenge.

The right of all citizens to equal treatment in places of public accommodation, regardless of race or color, is one which must find vindication through legislative action. The Congress of the United States, which has broad authority in this field, is now considering legislation in this area. You will, I am sure, want to know, if possible, what Federal legislation is likely to be enacted in the field of public accommodations before acting yourselves. Certainly I should like to know what Federal legislation is likely to be enacted before recommending legislation to you on the state level.

This does not mean that Kentucky is shirking her responsibility, that you will be shirking your responsibility or that I shall be shirking my responsibility. Let me make it clear that, if the affronts the Creator and denies the basic brotherhood which we have affirmed down the centuries in the Declaration of Independence and the Constitution of the United States.

All social and economic institutions, including that of private property, operate as a part of the total community and depend for their continuing vitality upon their service and benefit to the community, a community of human beings. The rights of property are essential to provide a safeguard for the integrity and independence of the individual in a world where ungoverned government is a threat to the liberty of the citizen. Yet we must face Federal Congress has not enacted civil rights legislation before the last 15 days of your session, I shall at that time recommend legislation to you for the protection of basic human rights in the field of public accommodations, and you will have ample time to act upon my recommendations.

3. After the longest era of uninterrupted economic expansion in this nation's history, after a 25-year boom, one fifth of a nation is still ill-nourished, ill-clad, ill-housed, ill-educated, ill-cared for. This is not the occasion for a detailed discussion of the problem of poverty in all its complicated aspects. Nevertheless, it is a fact that geographical isolation is one of the potent causes of persistent poverty, and that the Appalachian Region in particular is one of the tragic centers of unyielding poverty in the United States. Many of Kentucky's eastern Counties lie in this region.

In these counties, thousands of families are cold, hungry, jobless, seemingly condemned to dreary life in an economic and social backwash. Hope itself seems shredded and frayed to these people, and their children are growing up—many of them—as a generation who have known only the bread of welfare, for whom the handout is a way of life.

For these Kentuckians, who are the equal to us all in true potential, poverty is worse than poverty—it is an aching, life-destroying emptiness which kills the soul. I wish that I could tell you that the problems of our Appalachian counties could be solved by Kentucky's own actions and policies. But Appalachia covers portions of 10 states, and its problems require regional solutions and resources beyond the command of a single state.

Our late and beloved President Kennedy was deeply concerned with the problems and the opportunities of the people of the Appalachian region. The Area Redevelopment Program, the Accelerated Public Works Program, the food stamp plan, and above all the long-range plans of the Roosevelt commission owe their inspiration to this leadership.

Thankfully, I can report to you from personal conversations that President Lyndon B. Johnson is dedicated to completing the work and carrying forward the plans of President Kennedy in this area. Already, we have instituted a massive retraining program for the unemployed in the Appalachian counties, and we are confident that other federal programs, some of them on a pilot level and some on a large scale, will be announced in future weeks.

Long ago, however, I have concluded that it is not enuogh for Kentucky to stand, hat in hand, waiting for Federal initiative. In the first place, most Federal programs require state participation both financially and administratively. Secondly, Federal programs are responsive to initiative and leadership from the state level. It was Kentucky's foresight which made it possible to obtain, for the first time, ARA money for highway construction. It was Kentucky's progressive system of vocational education which made it possible for us to obtain a $9 million allocation for retraining unemployed Kentuckians. It was Kentucky's influence and proding which paved the way for the creation of the Roosevelt commission. In my budget message, and in other messages, I shall recommend to you plans and measures to provide help, jobs, and economic stimulation for the Appalachian counties of eastern Kentucky.

4. I cannot give up the conviction that Kentucky's Constitution needs revision. This charter has been in effect longer than any of the four constitutions under which our state government has operated. Our 1891 Constitution contains a multitude of detailed restrictions and prescriptions which are more legislative than constitutional in nature, and which make it difficult to operate our government in an age of space. In deed, some of our older constitutions, and especially the 1799 charter, seem better fitted to the needs of today than does our present fundamental law.

In the past, Kentuckians have been reluctant to authorize the calling of a Constitutional Convention—largely, I think because of uncertainty as to the changes which might be made. Section 4 of the present constitution preserves the basic right of the people to alter their fundamental law in any way which they see fit, and the Court of Appeals has upheld the right of two successive sessions of the legislature to call a limited convention. In 1962, the General Assembly created a Constitutional Revision Commission, with delegates selected from each Senatorial District.

I propose to activate this Commission immediately for the purpose of drafting a model constitution which you could consider submitting to the people of Kentucky by vote of two successive sessions of the General Assembly or for the consideration of a future voted Constitutional Convention. I suggest to you that the statute be amended to make all living elected Governors members at large of the Commission.

By this means we can, in the full glare of publicity, discuss the problems of constitutional revision and hammer out solutions which are acceptable to the people. The final document can be debated and discussed fully and freely, then submitted to the people, who will retain the supreme power to accept or reject it.

5. Highways are the arteries which carry the bloodstream of Kentucky's economy. During the past few years, Kentucky has ranked among the nation's leaders in highway construction.

Not only must we complete the planned network of high speed roads ribboning from one end of the state to the other, but we must emphasize to an even greater extent the rural and secondary roads which pierce the barriers of isolation which hem in so many of Kentucky's communities and families.

Increasing revenues from tourists and other traffic on our main highways make additional funds available for maintenance, and for improvement of secondary roads. We are pledged to and we shall double the rural highway fund this biennium. We are pledged to and we shall make every road fund dollar do double duty in the service of the people rather than politics. We are pledged to and we shall push completion of our parkway system with all planned extensions.

In the budget message I shall discuss in greater detail the financial requirements of our highway program. At this time, I recommend that you submit to the people another bond issue to make it possible to thrust forward with our highway program without increasing road fund taxes or license fees this biennium. It may be possible to save substantial outlays of interest and amortization on our turnpike bonds by refinancing them on better and more favorable terms. Legislation permitting such refinancing will be presented to you today.

Also to be presented to you today is a measure to change the distribution of rural highway funds to conform to the distribution of rural secondary funds. I ask your help on both of these bills.

6. Economy. We have set as our goals for an expanding economy 75,000 new jobs and a billion-dollar annual farm income. Attainment of these goals will require a monumental effort, will require the selfless and far-sighted cooperation of Kentuckians in all walks of life, but I am convinced that we can do the job. Already we are surveying the organization and operation of our economic development program to make it more flexible and even better fitted for the need of the coming years.

Today I shall submit for your consideration a proposed change in our state income tax law to permit accelerated depreciation for new capital investment. We are considering the more effective mobilization of our research institutions, including Spindletop and the

University of Kentucky, for such programs as the establishment of better facilities in the field of water research and the more effective utilization of our trained technical and scientific personnel.

Soon I shall appoint the Agricultural Development Commission which will establish goals and recommend means of meeting those goals on a local, voluntary basis in the farm economy. There is no question but that, with proper organization and the cooperation of those who realize the basic importance of an expanding agriculture, we can make Kentucky's grasslands the source of increased production and increased income for our farmers and farm communities.

These six challenges will occupy your time and energies and mine, but there will be other items of importance to face you this session.

One of the most important will be the passage of a budget adequate to meet the needs of our government for the next biennium. I will come to you later with a suggested budget. It will represent the best thinking of the executive branch of government having been tightened and trimmed to give the people the very best services possible for the least amount of money.

It will not exceed the revenue anticipated for the period under the present tax structure and present tax rates.

An urgent need of the Commonwealth is a better system of Corrections. This will require more money and additional personnel as well as possible new methods of operation. I shall have recommendations on this subject for you later on.

For the last ten years Kentucky has sought to control and regulate the extraction of minerals by stripping and augering operations so as to reclaim the land that is mined and protect surrounding land and streams. This regulation has not been as successful as was hoped when the first strip mining law went on the books and today vast areas of our state are scarred and rendered desolate and many of our finest streams are polluted because of poorly controlled mining operations.

I shall recommend new legislation on this vital matter later in this session.

I have previoulsy cited several bills on which I will ask early action—bills that will be introduced today. In addition I am asking immediate passage of four other measures. They are for the most part legislation that will increase the efficiency of State government and enable us to get the greatest service for the money we spend.

I call for:

1. A model purchasing law. Under this bill present statutes

relating to purchasing would be revised so as to improve product specifications, enlarge the number of bidders and schedule purchasing so as to get more favorable prices.

Such a law is basic to the determination of this administration that the people of Kentucky will get the most for their money when state purchases are made. But even the best of laws must be administered properly if they are to have their best results. I pledge to you that this law will be used wisley and effectively by those in charge of the state's buying.

2. A resolution establishing a commission on economy and efficiency in government. I pledged such a commission during my campaign for governor because I thought it would make the conduct of government more responsibe to the needs of Kentucky and put it under closer control of its citizens.

Since I became governor I have come to believe more and more in the desirablity of such a commission.

In those few days, we have taken measures to improve the economy and efficiency of your government and it is our plan to take more such measures. Each department head has been asked to study all personnel positions in his agency to see what positions might be abolished without hampering his operation. At this time they have taken action on personnel reductions that will result in annual savings of some $700,000 and not all departments have acted yet.

Personnel is only one place in which I feel savings can be made and it will greatly help me and other officials of my administration if you will establish this commission.

If you act on this request favorably, I will ask one of Kentucky's most distinguished publis servants to be commission chairman. He is Dr. James Martin, who has served Kentucky as commissioner of Finance, Revenue, and Highways and who for many years was a professor of public finance at the University of Kentucky.

3. A debt consolidation law. This would restrict the ability to issue revenue bonds for capital construction and centralize their issuance in the State Building Commission.

Such a law would enable the Commonwealth to keep a closer tab on its obligations and take a more immediate look at the amount of its bonded indebtedness, its ability to refund and refinance and its ability to borrow.

4. A law making the Kentucky Tax Commission an independent agency. This measure would take the commission out of the Department of Revenue and remove the commissioner of Revenue as a member.

Its purpose is to make it easier for taxpayers to appeal what they consider unfair assessments and to assure them a fair hearing.

I submit these measures to you with the belief that endorsement of them will presage a constructive and profitable legislative session.

I submit them to you with all the respect I feel for your position as legislators and for this great body to which I once had the honor of belonging. I submit these recommendations and I will submit further recommendations with the conviction that the legislative and executive branches of Kentucky's government have a solemn obligation to the people of Kentucky to work together to make that government the best possible and to provide the best possible life for each of our citizens.

To these ends I pledge my cooperation and I solicit yours.

Representative Denham moved that the Joint Session of the General Assembly do now dissolve. Agreed.

At the appointed hour the President of the Senate called the Senate to order.

Introduction of Bills

SB 3, by Senator Gardner: AN ACT relating to state property and buildings and broadening the powers of the State Property and Buildings Commission.

SB 4, by Senator Gardner: AN ACT relating to medical and dental education and research.

SB 5, by Senator Gardner: AN ACT relating to turnpikes and providing a method for refunding bonds of the Turnpike Authority of Kentucky in advance of their maturities; amending Section 175.600 of the Kentucky Revised Statutes, and declaring an emergency.

SB 6, by Senators Kidwell, Gardner and Kelly: AN ACT relating to State appropriations for county roads allocated among counties; statements of disbursements and balances.

Senator Ware moved that the Senate resolve itself into a committee of the whole for the purpose of considering **SB 2**. Agreed.

The President vacated the chair, the President Pro Tempore presiding.

SB 2 was recommended by the Committee of the Whole.
President Pro Tempore vacated the chair, the President presiding.

Committee Report

Committee of the Whole reported **SB 2** with the expression of opinion that same should pass. Read at length for the first time and order placed in the Calendar.

SB 2, AN ACT changing the classification of the City of Lookout Heights, in Kenton County.

WHEREAS, satisfactory information has been presented to the General Assembly that the population of the City of Lookout Heights, in Kenton County, is such as to justify its being classified as a city of the fifth class,

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

The City of Lookout Heights, in Kenton County, is transferred from the sixth to the fifth class of cities.

Senator Gardner moved that the Senate adjourn until 1:00 P.M., Wednesday, January 8, 1964. Agreed.

WEDNESDAY, JANUARY 8, 1964

SECOND LEGISLATIVE DAY

The Senate was called to order by Lieutenant Governor Waterfield.

Prayer by the Reverend Monsignor Joseph A. O'Dwyer of the Good Shepherd Church of Frankfort.

The roll was called. All present except Senators Brand, Kiser, Miller and Nichols, who were granted leave of absence on motion of Senator McCann.

Reading of the Journal for January 7 dispensed with and the same approved on motion of Senator Gardner.

House Message

Announcing passage of **HR 1, HR 8.**

HR 1, A CONCURRENT RESOLUTION commemorating the late Richard P. Moloney.

WHEREAS, the recent death of Senator Richard P. Moloney has caused Kentucky to suffer the loss of an outstanding public servant who served the Commonwealth ably and well in the Senate and House of Representatives for 16 years; and

WHEREAS, as Democratic Floor Leader, in both the Senate and the House of Representatives, Senator Moloney provided the capable leadership necessary for successful legislation, which leadership contributed immeasureably to the growth and progress of the Commonwealth; and

WHEREAS, Senator Moloney has left an indelible mark in Kentucky history by his service to the Commonwealth in the promotion of its welfare,

NOW, THEREFORE,

Be it resolved by the House of Representatives of the Commonwealth of Kentucky, the Senate concurring therein:

Section 1. That the House of Representatives and the Senate of the General Assembly pause in silent tribute for one minute on Tuesday, January 7, 1964.

Section 2. That this resolution commemorating Senator Moloney be recorded for all posterity in the journals of the General Assembly and that copies of this resolution be sent to the Senator's wife and children.

Section 3. That when the General Assembly adjourns on Tuesday, January 7, 1964 it adjourn out of respect and in tribute to the late Senator Richard P. Moloney.

Senator Gardner moved the adoption of **HR 1.** Agreed.

HR 8, A CONCURRENT RESOLUTION welcoming Dr. Edward Annis.

WHEREAS, Dr. Edward Annis has accepted the invitation of the Commonwealth to address a joint session of the General Assembly; and

WHEREAS, Dr. Annis is President of the American Medical Association and most recently was elected President of the World Medical Association; and

WHEREAS, Dr. Annis has engaged in the active practice of medicine both as a general practitioner and as a surgeon and continues to practice medicine among his many activities; and

WHEREAS, Dr. Annis has distinguished himself and his profession both as a practicing physician and as a spokesman for his profession; and

WHEREAS, the General Assembly of the Commonwealth is gratified that such an outstanding member and representative of the medical profession has accepted this invitation to address its membres;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the Commonwealth of Kentucky, the Senate concurring therein:

That the House and the Senate be recorded as expressing appreciation to Dr. Edward Annis and welcoming him to the Commonwealth of Kentucky.

Senator Gardner moved the adoption of **HR 8.** Agreed.

Senator Kinkead moved that the Journal show that a Senate Resolution is in the process of being drafted to invite the Honorable Clinton Anderson, former Secretary of Agriculture, to speak before the General Assembly in regard to **HR 8.** Agreed.

Communication

The Clerk read the following communication:

January 7, 1964

The Honorable Harry Lee Watrefield
President of the Senate
Dear Sir:

We submit herewith members of the Capitol Press Club who, pursuant to your rules, are entitled to the privileges of the press section. Amended lists will be submitted to you from time to time.

The Courier-Journal—Livingston Taylor, Hugh Morris, Allan M. Trout, Anne Pardue.

The State-Journal—Albert E. Dix, S. C. Van Curon, Bruce Eads, Paul Weddle, Richard Wilson.

The Louisville Times—Ivan Swift, Bill Greider.

Associated Press—Sy Ramsey, Bill Neikirk, Bob Cooper, Jack Simms.

United Press Intrenational—Carole Martin, John Dietrich.

Kentucky Post-Times Star—Clay Wade Bailey.

The Cincinnati Enquirer—Bob Endicott.

WINN—James Keyser.

WAVE and WAVE-TV—Dave Nakdimen.

Capital News—Lorne Hooker, Jack Emerson.

WHAS and WHAS-TV—Jay Crouse, Bob Johnson, Bud Harbsmeier, Fred Wiche.

The Lexington Herald—Malcolm Patterson.

The Lexington Leader—Warren Schweder.

Respectfully submitted,

Sy Ramsey, President
Ann Pardue, Secretary

Introduction of Bills and Resolutions

SR 5, by Senator Gardner: A RESOLUTION designating the Dean of the Senate.

WHEREAS, the Honorable Alvin Kidwell has served in this body continuously since 1942; and

WHEREAS, these twelve regular sessions of the General Assembly constitute a time of service equaled by no other member of this body; and

WHEREAS, Alvin Kiwdell has served with distinction as President Pro Tempore of the Senate and as Chairman of the most vital committees into which this body has organized itself; and

WHEREAS, the Twenty-sixth Senatorial District, comprised of the Counties of Boone, Carroll, Gallatin, Henry, Oldham, Owen and Trimble have been exceedingly well represented in this body through its elected Senator;

NOW, THEREFORE,

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky:

Section 1. That this Senate designates Senator Alvin Kidwell as its Dean.

Section 2. That the Dean of the Senate is authorized to attend all committee meetings of this body.

Section 3. That the Dean of the Senate be among those representing this body on all formal occasions, pursuant to the action of the President of the Senate.

Senator Gardner moved, seconded by Senators Kelly and Ware, that **SR 5** be adopted by a standing vote. Agreed.

SR 6, by Senator Gardner: A CONCURRENT RESOLUTION concerning adjournment of the General Assembly.

Be it resolved by the Senate of the Commonwealth of Kentucky; the House of Representatives concurring therein:

That when the House of Representatives and the Senate do adjourn on Wednesday, January 8, 1964, they do so to convene again on Monday, January 13, 1964 at the hour specified in the rules of the House of Representatives and of the Senate.

Senator Gardner moved the adoption of **SR 6.** Agreed.

SB 7, by Senator McGinty: AN ACT changing the classification of the City of Saint Regis Park, in Jefferson County.

SB 8, by Senators Duffy and Spence: AN ACT relating to dentistry.

Calendar

SB 2 taken from the Calendar and ordered read at length for the second time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

Recess

Senator Gardner moved that the Senate recess for a Joint Session with the House to hear Dr. Edward Annis. Agreed.

At the appointed hour the President resumed the chair and called the Senate to order.

House Message

Announcing passage of **HR 12, SR 6.**

HR 12, A CONCURRENT RESOLUTION relating to Kentucky athletics professional major league baseball team.

WHEREAS, the Kentucky State Fair Board in the interest of all Kentuckians has perceived the advantages of making the superior facilities of the Kentucky State Fairgrounds Stadium available as the future home of the Kentucky Athletics professional major league baseball team; and

WHEREAS, Charles O. Finley, a successful business man and owner of the Athletics, has demonstrated interest and confidence in Kentucky and its people in proposing to locate a major league baseball team in our state; and

WHEREAS, metropolitan Louisville and surrounding areas of Kentucky and Indiana are sufficiently populous to provide a supporting base for major league baseball and are rapidly increasing in population; and

WHEREAS, Louisville officials and organizations have guaranteed a sale of season tickets over the next two years in excess of the sale of season tickets where the Athletics Baseball Club is now located; and

WHEREAS, the fairgrounds stadium is unmatched in location as far as ease of transportation is concerned, being located adjacent to a major airport and at the intersection of two interstate highways; and

WHEREAS, this location plus parking facilities and nearby large motels and hotels may reasonably be expected to help generate patronage from outside Louisville and nearby communities; and

WHEREAS, Kentucky allocates considerable state dollars for the promotion of a fast-growing tourist industry, and would make necessary legal expenditures supporting the Athletics as a first class tourist attraction to complement the state's natural tourist assets; and

WHEREAS, Louisville, Kentucky has demonstrated a potential of gate attendance for successful sports activities in that during many recent years this city has been selected by the National Collegiate Athletic Association for location of basketball regional and national tournaments at the State Fairgrounds, in that this city is the scene of the most famous of all sports events, the Kentucky Derby, which enjoys an overwhelming attendance, not alone from Kentucky and the nation, but from all over the world, so that these and other sports to which Louisville has played host mark this city as a center of great sports enthusiasm.

NOW, THEREFORE,

Be it resolved by the General Assembly of the Commonwealth of Kentucky:

1. Appreciation be especially extended to Athletics Owner

Charles O. Finley for his selection of Kentucky and Louisville as the future home of the Kentucky Athletics. This General Assembly on behalf of all the people of Kentucky express its gratitude to Mr. Finley for his supreme efforts to locate the Athletics in Kentucky, and for his confidence in the Commonwealth as a place of business and in its citizens as loyal supporters of sports within their state.

2. This Legislative body on behalf of all Kentuckians pledge their full support to this venture and to the success of the Athletics on the playing field.

3. This General Assembly hereby requests the president of the American League and its directors and membership to give their most serious and studied consideration to the advantages inherent in the re-location of the Athletics to Louisville, Kentucky to the end that accomplishment is assured.

4. The clerk of the House and the Clerk of the senate are directed to send copies of this resolution to Baseball Commissioner Ford Frick, American League President Joe Cronin, the directors and members of the League, Athletics Owner Charles O. Finley, and members of the Kentucky delegation in the U. S. Congress.

Senator Gardner moved the adoption of **HR 12.** Agreed.

Senator Gardner moved that the Senate adjourn until 8:00 p.m., Monday, January 13. Agreed.

MONDAY, JANUARY 13, 1964

SIXTH LEGISLATIVE DAY

The Senate was called to order by the President.

Prayer by the Reverend Charles N. King, of the Corinthian Baptist Church of Frankfort.

The roll was called. All present except Senators Bonn, Brand, Cobb, Derickson, Duffy, Edwards, Engle, Garrett, Howard, Kidwell, McCann, McGinty, Miller, Newberry, Nichols and Van Hoose, who were granted leave of absence on motion of Senator Gardner.

Reading of the Journal for January 8 dispensed with and the same approved on motion of Senator Gardner.

Introduction of Bills

SB 9, by Senator Donald L. Johnson: AN ACT relating to appointment and compensation of bailiffs.

SB 10, by Senator Ware: AN ACT changing the classification of the City of Park Hills, in Kenton County.

Orders of the Day

SB 2 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SB 2**. Agreed.

On the roll call the vote was yeas 18—Blue, Brizendine, Buckman, Duncan, Fuqua, Gardner, Gay, Donald L. Johnson, Fairis Johnson, Kelly, Layne, Mann, Mobley, Palmer, Spence, Swope, Turner, Ware. Nays 0.

SB 2 was passed and the title agreed to.

Senator Ware moved that the vote by which **SB 2** was passed be reconsidered and that said bill be laid on the table. Agreed.

Senator Gardner moved the Senate to adjourn until 1:00 P.M., Tuesday, January 14. Agreed.

TUESDAY, JANUARY 14, 1964

SEVENTH LEGISLATIVE DAY

The Senate was called to order by the President.

Prayer by the Reverend Charles N. King of the Corinthian Baptist Church of Frankfort.

The roll was called. All present except Senators Bonn, Brand, Edwards, Engle, Garrett, Howard, Miller, Nichols, who were granted leave of absence on motion of Senator McCann.

Reading of the Journal for January 13 dispensed with and the same approved on motion of Senator McCann.

Motions, Petitions and Communications

Senator McCann moved that the Clerk of the Senate be requested to return the Certificate of Election to each Senator. Agreed.

House Message

Announcing passage of **HR 6**, **HB 10**.

Introduction of Bills

SR 7, by Senator Gardner: A CONCURRENT RESOLUTION providing for a visiting committee of the House and Senate to inspect the Governor's and Lieutenant Governor's mansions.

WHEREAS, KRS 11.025 provided for the appointment of a Mansion Committee to render continuing attention to the maintenance, furnishing, and repairs of the executive mansions of the Governor and Lieutenant Governor, and

WHEREAS, said committee, duly appointed, has functioned since 1960 when KRS 11.025 became effective, and

WHEREAS, the General Assembly on behalf of the people of Kentucky deem it advisable, and within its prerogative, to, from time to time, inspect these historic buildings to the end that the public, as well as the General Assembly, be advised as to the maintenance, furnishing, and repairs therein.

NOW, THEREFORE,

Be it resolved by the Senate of the Commonwealth of Kentucky; the House of Representatives concurring therein:

1. That the President of the Senate and the Speaker of the House of Representatives each appoint three members from their respective legislative bodies, two of whom shall be members of the majority party and one of whom shall be a member of the minority party, to constitute a Mansion Visiting Committee.

2. That said Committee meet as soon after their appointment as

practicable, elect a Chairman, and thereafter arrange with the Mansion Committee for a time suitable to the members thereof and to the joint committee, and both committees acting together shall visit and inspect the Governor's and Lieutenant Governor's mansions.

3. That upon completion of the visits and inspections herein provided for, the Mansion Visiting Committee will make a report to the General Assembly concerning the maintenance, furnishing, and repairs of the executive mansions and shall report upon the need, if any, for furnishings, maintenance, or repairs of the executive mansions.

Senator Gardner moved the adoption of **SR 7.** Agreed.

SR 8, by Senators Kinkead and Duffy: A CONCURRENT RESOLUTION inviting U. S. Senator Clinton Anderson of New Mexico to address a joint session of the General Assembly.

WHEREAS, Dr. Edward Annis, President of the American Medical Association, addressed a joint session of the General Assembly on January 8, 1964 and expounded the views of the American Medical Association concerning medical care for the aged; and

WHEREAS, it is only fitting and proper to invite another distinguished American who holds views contrary to those expressed by Dr. Annis and give him an opportunity to address a joint session of the General Assembly;

NOW, THEREFORE,

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky, the House of Representatives concurring therein:

That Senator Clinton Anderson of New Mexico be invited to address a joint session of the General Assembly of the Commonwealth at a date convenient to him.

That, if Senator Anderson finds it impossible to come to Kentucky, every effort be made to obtain another speaker in sympathy with views contrary to those of the American Medical Association and particularly in the field of medical care for the aged.

Senator Kinkead moved the adoption of **SR 8.** Agreed.

SB 11, by Senators Duffy, Layne, McGinty, McCann, Bonn and Miller: AN ACT relating to the Thirtieth Circuit Court District; creating two additional common pleas divisions and the office of circuit judge for each of the divisions by this Act.

SB 12, by Senators Mobley, Gay, Mann and Turner: AN ACT relating to juries.

Senator Gardner moved that the Senate adjourn until 1:00 P.M., Wednesday, January 15. Agreed.

WEDNESDAY, JANUARY 15, 1964

EIGHTH LEGISLATIVE DAY

The Senate was called to the order by the President.

Prayer by the Reverend Charles N. King of the Corinthian Baptist Church of Frankfort.

The roll was called. All present except Senators Blue, Bonn, Brand, Howard, Layne, Nichols and Swope, who were granted leave of absence on motion of Senator Gardner.

Reading of the Journal for January 14 dispensed with and the same approved on motion of Senator Gardner.

House Message

Announcing passage of **HR 7, HR 15.**

Announcement

The President announced the following committee assignments:

ADMINISTRATIVE AGENCIES

Martin J. Duffy, Jr., Chairman
O. O. Duncan, Vice-Chairman

J. Murray Blue
J. D. Buckman, Jr.
Tom Garrett
Clay Gay
Bert Kiser
Dr. Foster Spence
James C. Ware

AGRICULTURE AND STATE FAIR

Wilson Palmer, Chairman
Paul L. Fuqua, Vice-Chairman

J. Murray Blue
Thomas M. Brizendine
Mrs. Vandetta L. Derickson
Dr. William C. Mann
James H. Newberry
Frederick E. Nichols
John W. Swope

APPROPRIATIONS

Casper Gardner, Chairman
Durham W. Howard, Vice-Chairman

Owen Billington
J. Murray Blue
Martin J. Duffy, Jr.
Paul L. Fuqua
Ed J. Kelly
Wendell Van Hoose
James C. Ware

BANKING AND INSURANCE

James C. Ware, Chairman
Donald L. Johnson, Vice-Chairman

Owen Billington
Bernard J. Bonn
Martin J. Duffy, Jr.
Casper Gardner
Durham W. Howard
Ed J. Kelly
Shelby C. Kinkead
Wendell Van Hoose

CONSERVATION

Wendell Van Hoose, Chairman
George G. Brand, Vice-Chairman

Thomas M. Brizendine
O. O. Duncan
William Engle
Ed J. Kelly
Dr. Foster Spence
Wilson Palmer
John Raymond Turner

EDUCATION

John Raymond Turner, Chairman
Robert P. Layne, Vice-Chairman

Owen Billington
Thomas M. Brizendine
Paul L. Fuqua
Fairis Johnson
Dr. William C. Mann
Pleaz W. Mobley
James H. Newberry
Clay Gay

ENROLLMENT

Bert Kiser, Chairman
William Engle, Vice-Chairman

Bernard J. Bonn
George G. Brand
Mrs. Hazel Cobb
Clay Gay
Donald L. Johnson
Fairis Johnson
Vernon C. McGinty
Vacancy

EXECUTIVE AND LEGISLATIVE AFFAIRS

Ed J. Kelly, Chairman
Clay Gay, Vice-Chairman

Owen Billington
O. O. Duncan
Casper Gardner
James H. Newberry
John W. Swope
Wendell Van Hoose
Bert Kiser

HEALTH AND WELFARE

Dr. Foster Spence, Chairman
Dr. William C. Mann, Vice-Chairman

Marvin Edwards
Bert Kiser
Robert P. Layne
C. W. A. McCann
Pleaz W. Mobley
James H. Newberry
Wilson Palmer

JUDICIARY

Tom Garrett, Chairman
John W. Swope, Vice-Chairman

J. D. Buckman, Jr.
Martin J. Duffy, Jr.
Donald L. Johnson
Scott Miller, Jr.
Pleaz W. Mobley
Frederick E. Nichols
James C. Ware

LABOR AND INDUSTRY

Frederick E. Nichols, Chairman
Scott Miller, Jr., Vice-Chairman

Martin J. Duffy, Jr.
Marvin Edwards
Tom Garrett
C. W. A. McCann
Vernon C. McGinty
Pleaz W. Mobley
James C. Ware

MILITARY AFFAIRS AND CIVIL DEFENSE

John W. Swope, Chairman
J. D. Buckman, Jr., Vice-Chairman

Owen Billington
Thomas M. Brizendine
Marvin Edwards
William (Billy) Engle
Paul L. Fuqua
Casper (Cap) Gardner
Tom Garrett
Clay Gay
Donald L. Johnson
Ed J. Kelly
Alvin Kidwell
Shelby C. Kinkead
Robert P. Layne
C. W. A. McCann
Vernon C. McGinty
Scott Miller Jr.
William Pleaz Mobley
James H. Newberry
Dr. Foster Spence
John W. (Billy) Swope
John Raymond Turner

MUNICIPALITIES

C. W. A. McCann, Chairman
Mrs. Hazel Cobb, Vice-Chairman

Mrs. Vandetta L. Derickson
Casper Gardner
Tom Garrett
Shelby C. Kinkead
Robert P. Layne
Vernon C. McGinty
Scott Miller, Jr.

PUBLIC UTILITIES

J. Murray Blue, Chairman
Mrs. Vandetta L. Derickson, Vice-Chairman

Mrs. Hazel L. Cobb
O. O. Duncan
Casper Gardner
Tom Garrett
Scott Miller, Jr.
Wilson Palmer
John W. Swope

REVENUE AND TAXATION

J. D. Buckman, Jr., Chairman
Pleaz W. Mobley, Vice-Chairman

Bernard J. Bonn
George G. Brand
Mrs. Hazel Cobb
William Engle
Paul L. Fuqua
Durham W. Howard
Donald L. Johnson
C. W. A. McCann

STATE AND COUNTY GOVERNMENTS

Marvin Edwards, Chairman
Vernon C. McGinty, Vice-Chairman

George G. Brand
O. O. Duncan
Fairis Johnson
Shelby C. Kinkead
Bert Kiser
John Raymond Turner
Vacancy

SUFFRAGE, ELECTIONS AND CONSTITUTIONAL AMENDMENTS

Shelby C. Kinkead, Chairman
Fairis Johnson, Vice-Chairman

J. D. Buckman, Jr.
Durham W. Howard
Donald L. Johnson
Bert Kiser
Robert P. Layne
Frederick E. Nichols
John Raymond Turner
Vacancy

TRANSPORTATION AND HIGHWAYS

Bernard J. Bonn, Chairman
Thomas M. Brizendine, Vice-Chairman

J. Murray Blue
Mrs. Vandetta L. Derickson
William Engle
Clay Gay
Fairis Johnson
Dr. William C. Mann
C. W. A. McCann
Dr. Foster Spence

WAYS AND MEANS

Owen Billington, Chairman
James H. Newberry, Vice-Chairman

J. Murray Blue
Marvin Edwards
Casper Gardner
Dr. Foster Spence
John W. Swope
Wendell Van Hoose
Ed J. Kelly

Introduction of Bills and Resolutions

SR 9, by Senator Gardner: A CONCURRENT RESOLUTION relating to Robert E. Lee Day as a Legal Holiday.

WHEREAS, Robert E. Lee Day, which is designated as a Legal Holiday under Kentucky Revised Statutes, Section 2.110, will fall on Sunday in the year 1964,

NOW, THEREFORE,

Be it resolved by the Senate of the Commonwealth of Kentucky; the House of Representatives concurring therein:

That Monday, January 20, 1964, will be observed as a Legal Holiday for the purpose of determining the sixty legislative days comprising the Regular Session of the 1964 General Assembly, and that the 1964 Regular Session will conclude with its sixtieth legislative day on March 20, 1964.

Senator Gardner moved the adoption of **SR 9.** Agreed.

SR 10, by Senator McCann: A CONCURRENT RESOLUTION expressing appreciation to the officials and employees of Stouffer's Louisville Inn.

WHEREAS, the Stouffer's Louisville Inn was dedicated on Wednesday, January 8, 1964; and

WHEREAS, those officials and employees responsible for the operation of Stouffer's Louisville Inn were kind enough to invite Members of the General Assembly and officials of the Commonwealth of Kentucky to said dedication; and

WHEREAS, said members and officials are grateful for the kind hospitality extended them by Stouffer's Louisville Inn;

NOW, THEREFORE,

Be it resolved by the Senate of the Commonwealth of Kentucky; the House of Representatives concurring therein:

Section 1. That the appreciation of the Members of the Kentucky General Assembly and officials of the Commonwealth of Kentucky be extended to the management and staff of Stouffer's Louisville Inn, Louisville, Kentucky, with particular recognition to Messrs. Vernon Stouffer, James Stouffer and John H. Cranford, Jr., for hospitality extended at the dedication of said inn.

Section 2. That the Clerk of the Senate be requested to forward a copy of this resolution to Stouffer's Louisville Inn, Louisville, Kentucky.

Senator McCann moved the adoption of **SR 10**, seconded by Senator Duffy. Agreed.

SB 13, by Senator Kinkead: AN ACT relating to traffic regulations.

HR 15, A CONCURRENT RESOLUTION concerning adjournment of the General Assembly.

Be it resolved by the Senate of the Commonwealth of Kentucky; the House of Representatives concurring therein:

That when the House of Representatives and the Senate do adjourn on Thursday, January 16, 1964, they do so to convene again at 8:00 p.m., Tuesday, January 21, 1964.

Senator Gardner moved the adoption of **HR 15.** Agreed.

Senator Spence moved the Senate to invite a Specialist from the Research Center in Lexington, Kentucky, in regard to the Tobacco Report.

Agreed.

Reference of Bills

The Clerk announced that the following bills and resolution had been referred:

Administrative Agencies: **SB 1**

Executive and Legislative Affairs: **SB 3, SB 4**

Ways and Means: **SB 5**

Transportation and Highways: **SB 6**

Municipalities: **SB 7, SB 10**

Health and Welfare: **SB 8**

Judiciary: **SB 9, SB 11, SB 12**

Education: **HB 10**

Appropriations: **HR 6**

Senator Gardner moved the Senate to adjourn until 10:00 A.M., Thursday, January 16. Agreed.

THURSDAY, JANUARY 16, 1964

NINTH LEGISLATIVE DAY

The Senate was called to order by the President.

Prayer by the Reverend Charles N. King of the Corinthian Baptist Church of Frankfort.

The roll was called. All present except Senators Blue, Brand, Duncan, Fairis Johnson, McGinty, Nichols and Turner, who were granted leave of absence on motion of Senator Gardner.

Reading of the Journal for January 15 dispensed with and the same approved on motion of Senator Gardner.

Introduction of Bills

SB 14, by Senator Buckman: AN ACT changing the classification of the City of Muldraugh, in Meade County.

SB 15, by Senator McCann: AN ACT relating to instruction permits for motor vehicle operators.

SB 16, by Senator Duffy: AN ACT relating to State printing.

Report of Committees

Committee on Municipalities reported **SB 7** with the expression of opinion that same should pass. Read at length for the first time and ordered placed in the Calendar. Agreed.

SB 7, AN ACT changing the classification of the city of Saint Regis Park, in Jefferson County.

WHEREAS, satisfactory information has been presented to the General Assembly that the population of the City of Saint Regis Park, in Jefferson County, is such as to justify its being classified as a city of the fifth class,

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

The City of Saint Regis Park in Jefferson County, is transferred from the sixth to the fifth class of cities.

Reference of Bills

The Clerk announced that the following bill and resolution had been referred.

Administrative Agencies: **SB 13**

Executive and Legislative Affairs: **HR 7**

Senator Gardner moved, in compliance with **HR 15**, that the Senate adjourn until 8:00 P.M., Tuesday, January 21. Agreed.

TUESDAY, JANUARY 21, 1964

TWELFTH LEGISLATIVE DAY

The Senate wall called to order by the President.

Prayer by the Reverend Herman M. Bowers of the First Baptist Church of Frankfort.

The roll was called. All present except Senators Brizendine and Nichols, who were granted leave of absence on motion of Senator McCann.

Reading of the Journal for January 16 dispensed with and the same approved on motion of Senator Gardner.

House Message

Announcing passage of **SB 2.**

Communication

The Clerk read the following message from Mrs. Hickerson, the widow of Senator Broadus E. Hickerson:
Lt. Gov. Waterfield and Members of the Senate:

Words can never express my thanks for you remembering me. That God will bless each and every one of you is my prayer. Will miss seeing you so much.

Sincerely,
Mrs. Hickerson.

Introduction of Bills and Resolution

SR 11, by Senator Spence: A CONCURRENT RESOLUTION inviting a representative of the tobacco industry to address the General Assembly.

WHEREAS, the continued success of the tobacco industry is vital to the economy of the Commonwealth of Kentucky; and

WHEREAS, recent reports released by the federal government concerning smoking and health could be detrimental to the future growth of the tobacco industry; and

WHEREAS, the tobacco industry has expended considerable funds on research in recent years both as to production and marketing; and

WHEREAS, it would be of great benefit to the members of the General Assembly and the citizens of the Commonwealth to have a report of the findings of any tobacco research project delivered before them at a time convenient to all parties;

NOW, THEREFORE,

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky, the House of Representatives concurring therein:

That the General Assembly extend an invitation to any designated representative of the tobacco industry to address the members at a time convenient to all concerned.

Senator Gardner moved the adoption of **SR 11.** Agreed.

SB 17, by Senator McCann: AN ACT relating to Compensation of Election Officers.

SB 18, by Senator Edwards: AN ACT relating to combined electric and water plant boards.

SB 19, by Senator Newberry: AN ACT relating to telephone companies.

Reference of Bills

The Clerk announced that the following bills had been referred:

Municipalities: **SB 14**

Transportation and Highways: **SB 15**

State and County Governments: **SB 16**

Suffrage, Elections and Constitutional Amendments: **SB 17**

Public Utilities: **SB 18, SB 19**

Calendar

SB 7 taken from the Calendar and ordered read at length for the second time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

Report on Enrolled Bill

Committee on Enrollment reported that **SB 2** had been examined and found correctly enrolled. **SB 2** read at length, compared and signed in open session by the President. Ordered delivered to the House.

SB 2 delivered, signed by Speaker. Ordered delivered to the Governor.

Announcements

Senator Kelly announced a meeting of the Executive and Legislative Affairs at 11:00 A.M., Wednesday, January 22, in Room 319.

Senator Billington announced a meeting of the Ways and Means Committee for 10:00 A.M., Wednesday, January 22, in Room 327.

Communication

The Clerk read the following communication from Governor Breathitt.

January 14, 1964

Dear Mr. Waterfield:

KRS 211.040 provides that nine of the members of the State Board of Health shall be appointed by the Governor by and with the advice of the Senate.

Since the 1962 session of the General Assembly the following appointments have been made by the Governor of Kentucky and require Senate approval:

Paul E. Dunbar, Paducah, Kentucky. Appointed January 16, 1963, for term ending December 31, 1965.

Dr. Sam Overstreet, Louisville, Kentucky. Appointed June 12, 1963, for term ending December 31, 1965.

Dr. George Archer, Prestonsburg, Kentucky. Appointed October 21, 1963, for term ending December 31, 1966.

Dr. J. Farra VanMeter, Lexington, Kentucky. Appointed January 13, 1964, for term ending December 31, 1967.

I trust this information will suffice in enabling the Senate to approve these appointments.

Sincerely,
Edward T. Breathitt

Senator Gardner moved that the Senate adjourn until 1:00 P.M., Wednesday, January 22. Agreed.

WEDNESDAY, JANUARY 22, 1964

THIRTEENTH LEGISLATIVE DAY

The Senate was called to order by the President.

Prayer by the Reverend Herman M. Bowers of the First Baptist Church of Frankfort.

The roll was called. All present except Senators Cobb, Miller and Nichols, who were granted leave of absence on motion of Senator Gardner.

Reading of the Journal for January 21 dispensed with and the same approved on motion of Senator Gardner.

Motion

Senator McCann moved that a special time schedule be set up for all Senate committees to meet.

Senator Gardner moved that Senator McCann's motion regarding the special time schedule be laid on the Clerk's desk in order to give time to study the printed copy of the schedule. Agreed.

House Message

Announcing passage of **HR 20, SR 7, SR 8.**

HR 20, A CONCURRENT RESOLUTION expressing the sorrow of the General Assembly over the untimely death of Judy Lynn Fossett.

WHEREAS, in the death of Judy Lynn Fossett on January 17, 1964, the Commonwealth has lost one of its finest and ablest citizens, and

WHEREAS, the talented and lovely Judy Lynn Fossett exemplified a life of high ideals, good deeds, and Christian charity, and

WHEREAS, in this time of sorrow, this body shares the grief of one of its closest friends, Edward L. Fossett, Chief Legislative Assistant to the Governor,

NOW, THEREFORE,

Be it resolved by the House of Representatives of the Commonwealth of Kentucky, the Senate concurring therein:

That this body extends its deepest sympathy to the family of Judy Lynn Fossett and we pray that the hearts of her loved ones, so full of sorrow now, may, with the help of God, soon be free of anguish.

Senator Gardner moved the adoption of **HR 20.** Agreed.

Introduction of Bills

SB 20, by Senator Layne: AN ACT relating to flags for circuit court rooms.

SB 21, by Senator Donald L. Johnson: AN ACT changing the classification of the city of Alexandria, in Campbell County.

SB 22, by Senator Brizendine: AN ACT relating to age of majority.

SB 23, by Senators Kinkead, VanHoose, Buckman, Brizendine, Garrett, Edwards, Engle, Brand and Kiser: AN ACT relating to Legislative fiscal analysis.

SB 24, by Senator Mobley: AN ACT relating to arrests.

SB 25, by Senator Mobley: AN ACT relating to search warrants.

SB 26, by Senator Gay: AN ACT relating to the National Guard.

SB 27, by Senator Duffy: AN ACT relating to settlement of estates.

Report of Committee

Ways and Means Committee reported **SB 5** with the expression of opinion that same should pass. Read at length for the first time and ordered placed in the Calendar. Agreed.

SB 5, AN ACT relating to turnpikes and providing a method for refunding bonds of the Turnpike Authority of Kentucky in advance of their maturities; amending Section 175.600 of the Kentucky Revised Statutes, and declaring an emergency.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 175.600 of the Kentucky Revised Statutes is amended to read, as follows:

(1) The authority is hereby authorized to provide for the issuance of its turnpike revenue refunding bonds for the purpose of refunding any bonds then outstanding which shall have been issued under the provisions of this chapter, including the payment of any redemption premium thereon and any interest accrued or to accrue to the date of redemption of such bonds, and, if the authority shall so determine, for the additional purpose of constructing improvements, extensions, or enlargements of the turnpike project or projects in connection with which the bonds to be refunded shall have been issued. The authority is further authorized to provide for the issuance of its turnpike revenue bonds for the combined purpose of [(1)] *(a)* refunding any bonds then outstanding which shall have been issued under the provisions of this chapter, including the payment of any

redemption premium thereon and any interest accrued or to accrue to the date of redemption of such bonds, and [(2)] *(b)* paying all or any part of the cost of any additional turnpike project or projects. The issuance of such bonds, the maturities and other details thereof, the rights of the holders thereof, and the rights, duties and obligations of the authority in respect of the same, shall be governed by the provisions of this chapter in so far as the same may be applicable.

(2) Bonds may be issued by the authority under the provisions of this Section at any time not more than eight (8) years prior to the maturity or the date selected for the redemption of the bonds being refunded thereby. Pending the application of the proceeds of such refunding bonds, with any other available funds, to the payment of the principal, accrued interest and any redemption premium of the bonds being refunded and, if so provided or permitted in the resolution authorizing the issuance of such refunding bonds or in the trust indenture securing the same, to the payment of any interest on such refunding bonds, and any costs of the refunding, such proceeds may be invested in direct obligations of, or obligations the principal of and the interest on which are unconditionally guaranteed by, the United States of America, which shall mature, or which shall be subject to redemption by the holder thereof at the option of such holder, not later than the respective dates when the proceeds, together with the interest accruing thereon, will be required for the purposes intended or, in lieu of such investments, all or part of such proceeds may be placed in interest bearing time deposits or other similar arrangements may be made with regard thereto which will assure that such proceeds, together with the interest accruing thereon, will be available when required for the purposes intended; provided, however, that such time deposits shall be made in a bank or banks possessing capital and surplus, in each case, of not less than $100,000,000.00, or, if any such deposit be made in any bank having a combined capital and surplus of less than said amount, the deposit shall be secured by obligations such as those permitted herein for investment for all amounts in excess of twenty-five (25) per cent of the combined capital and surplus of such bank.

(3) The authority and the department are authorized and empowered to make one or more written agreements with regard to any financing or refinancing by the authority under the provisions of this Section, which agreement or agreements may include provisions as to any one or more of the matters and things set forth in Section 175.460 of the Kentucky Revised Statutes, and the authority and the department are authorized and empowered to enter into a lease or leases pursuant to any such agreement or agreements which may contain, in substance, any of the provisions set forth in Section 175.470 of the Kentucky Revised Statutes and such other provisions not in-

consistent therewith as the authority and the department may deem appropriate and desirable.

Section 2. Whereas, the present state of the market for municipal revenue bonds is favorable to the issuer of such bonds, and any delay in the enactment of enabling legislation may prevent the Authority from taking advantage of the situation, an emergency is declared to exist and this Act shall take effect upon its passage and approval by the Governor.

Orders of the Day

SB 7 taken from Orders of the Day and ordered read at length for third time. Senator McGinty moved that it be read by title only. Agreed by a majority of members elected.

Senator McGinty moved the Previous Question on **SB 7.** Agreed.

On the roll call the vote was yeas 32—Billington, Blue, Bonn, Brand, Brizendine, Derickson, Duffy, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, Howard, Donald L. Johnson, Fairis Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Mobley, Newberry, Palmer, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

SB 7 was passed and the title agreed to.

Senator McGinty moved that the vote by which **SB 7** was passed be reconsidered and that said motion be laid on the table. Agreed.

Senator Gardner moved that the Senate adjourn until 1:00 P.M., Thursday, January 23. Agreed.

THURSDAY, JANUARY 23, 1964

FOURTEENTH LEGISLATIVE DAY

The Senate was called to order by the President.

Prayer by the Reverend Herman M. Bowers of the First Baptist Church of Frankfort.

The roll was called. All present except Senators Edwards, Kiser and Nichols, who were granted leave of absence on motion of Senator Gardner.

Reading of the Journal for January 22 dispensed with and the same approved on motion of Senator Gardner.

Motions

Senator Duffy requested a point of order as to whether Senator Kidwell is a member of all committees regarding **SR 5.**

The chair ruled that Senator Kidwell is a member of all committees and does have voting powers regarding the adoption of **SR 5.**

Senator Donald L. Johnson moved, seconded by Senator VanHoose, that **SR 5** be amended to provide that Senator Kidwell be a member ex-officio of all committees, but without a vote.

Senator Gardner moved, seconded by Senator Ware, that Senator Johnson's motion be tabled. Agreed.

Recess

Senator Kelly moved the Senate to recess for five minutes for the purpose of having a committee meeting. Agreed.

At the appointed hour the President resumed the chair and called the Senate to order.

Communications and Announcements

In accordance with **SR 7**, the President announced the appointment of a committee composed of Senators Edwards, Billington and VanHoose to work with a like committee from the House, composed of Representatives Kirtley, Bates and Caldwell.

Introduction of Bills

SB 28, by Senators Gay and Mann: AN ACT relating to attorney fees.

SB 29, by Senator Gay: AN ACT relating to education.

SB 30, by Senator Gay: AN ACT relating to the State Police.

SB 31, by Senator Gay: AN ACT relating to education.

SB 32, by Senators Duffy and Swope: AN ACT relating to statute revision and related legislative services.

SB 33, by Senator Kelly: AN ACT relating to pension funds.

SB 34, by Senator Ware: AN ACT to amend KRS 21.130 relating to appeals to the Court of Appeals.

SB 35, by Senators Donald L. Johnson and Ware: AN ACT relating to appointment of Assistant Commonwealth's Attorneys in judicial districts composed of only one county.

SB 36, by Senators Miller, Duffy, McGinty, Layne, Bonn and McCann: AN ACT relating to boards of waterworks of first class cities.

SB 37, by Senators Miller, Duffy, McGinty, Layne, Bonn and McCann: AN ACT relating to water systems.

Report of Committees

Committee on Executive and Legislative Affairs reported **SB 3**, **SB 4** with the expression of opinion that same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 3, AN ACT relating to State property and buildings and broadening the powers of the State Property and Buildings Commission.

WHEREAS, in order to obtain the best advantage to the Commonwealth in the financing of public projects and undertakings, it is desirable that a central authority issue and supervise the administration of the indebtedness and revenue bond obligations of the Commonwealth; and

WHEREAS, the State Property and Buildings Commission, by reason of its experience and proven reputation in the bond market and its existing statutory authority is deemed best able to serve as a central bond issuing authority,

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Subsection (4) of Section 56.440 of the Kentucky Revised Statutes is amended to read as follows:

"Building project" includes the construction, reconstruction and structural maintenance of buildings, the installation of utility services, including roads and sewers, and the purchase and installation of equipment, facilities and furnishings of a permanent nature for buildings, *and the purchase and installation initially of movable equipment, furnishings and appurtenances necessary to make a building operable,* and for television purposes as referred to in Subsection (3) of this Section.

Section 2. Subsection (4) of Section 56.450 of the Kentucky Revised Statutes is amended to read as follows:

Subject to the provisions of KRS 56.550, but notwithstanding any other provision of the Kentucky Revised Statutes to the contrary, all revenue bonds issued by state agencies except *as provided in this chapter* [those bonds issued by State Colleges, the University or The Turnpike Authority of Kentucky], shall be issued under the provisions of this chapter; provided further, that as an additional and alternative method for the issuance of revenue bonds under the provisions of this chapter, upon application of any state agency and approval by the commission, the commission acting for and on behalf of said state agency may issue revenue bonds in its own name in accordance with the terms and provisions of KRS Chapter 58 secured by and payable solely from all or any part of the revenues of said state agency as may be specified and provided in such approved application, and any covenants and undertakings of said state agency in such approved application with regard to the production of such revenues and the use, application or disposition thereof may be enforced by the holders of any such revenue bonds or by any trustee for such bondholders.

Section 3. Section 56.490 of the Kentucky Revised Statutes is amended to read as follows:

No state agency shall have power or authority to make plans and specifications, advertise for bids, let contracts or incur any financing commitments, either in the way of a charge against public funds or in the way of negotiations for issuance of revenue bonds, for any building project requiring the expenditure of more than *$12,000* [$10,000] without first securing the approval of the department. The state agency seeking such approval shall submit to the department a general description of the proposed project, with such detailed information as the department may require. The department shall not approve any such project requiring its approval in any instance where it finds that the project is not needed, *that the work is to be done by employees of the agency,* or that the proposed method of financing is not sound, or in cases where the project is proposed to be paid for out of appropriations, that the cost of completing the project will exceed the amount of the appropriation available therefor, or the work contemplated will be insufficient for the purposes for which the appropriations were made, or that after providing for the ordinary recurring expenses of government and debt service and for payments under existing allotments for extraordinary expenses and capital outlay, cash will not be available in the State Treasury to promptly pay for the work during the biennium. The finding of the department shall be final, except in cases where the issuance and sale of bonds is proposed, in which case the department shall submit its findings to the commission for final approval, modification, or disapproval. When a building project has been approved as provided in this section, in whole or in part, the department shall prepare the plans and specifications, advertise for bids, award the contracts, supervise the construction and handle the financial negotiations on behalf of the requesting state agency, or it may authorize the state agency so to do in its own behalf.

Section 4. A new section of Chapter 56 of the Kentucky Revised Statutes is created to read as follows:

The commission is hereby authorized to provide for the issuance of refunding bonds for the purpose of refunding any bonds outstanding that have been issued at any time under the provisions of KRS 56.520 or for the purpose of refunding any bonds outstanding that have been issued by agencies of the state under the provisions of KRS Chapter 58, including redemption premiums thereon and any interest accrued or to accrue to the date of redemption. The commission is further authorized to issue bonds for the combined purpose of refunding any bonds issued at any time under KRS 56.520 or by state agencies under KRS Chapter 58, including redemption premiums thereon and any interest accrued or to accrue to the date of redemption, and for paying the cost of extensions, improvements, betterments or additions to the project.

Section 5. A new section of Chapter 56 of the Kentucky Revised Statutes is created to read as follows:

The Boards of Regents of the respective state colleges and the Board of Trustees of the University of Kentucky may issue, under the provisions of KRS 162.340 to 162.380, consolidated educational building revenue bonds or housing bonds, provided that prior to seeking the final approval required by KRS 56.490, the Board of the state college or of the University shall submit to the Commission, through the department, a request for approval of the project before any financial commitment of any sort may be made in connection therewith, including employment of architects, engineers, fiscal agents or attorneys. The request shall include a general description of the project and its need, use, location, approximate size and such other information as the department may require. After approval by the Commission, the department shall appoint fiscal agents, bond counsel and architects and engineers as may be required to make plans and specifications or financial arrangements for the project.

Section 6. A new section of Chapter 56 of the Kentucky Revised Statutes is created to read as follows:

To the extent not inconsistent with the obligations and covenants of resolutions and trust indentures pursuant to which bonds have previously been issued and are outstanding, revenues from bond projects of all agencies of the state shall be paid into the State Treasury through the department and the department may, in the best interest of the project, invest and reinvest, or require a trustee to invest and reinvest, all funds held for the benefit of the project. In all instances the department may, by regulations promulgated and made effective according to KRS Chapter 13, require that all depositories, trustees, and other agents make periodic reports to the department concerning the status of and balances in such funds, and the manner in which the same are invested and reinvested from time to time.

Section 7. A new section of Chapter 56 of the Kentucky Revised Statutes is created to read as follows:

The Commission shall act in the capacity of and exercise the powers of the Kentucky Public School Authority under the provisions of KRS 162.510 to 162.620 for the purpose of assisting boards of education of any county or independent school district in financing public school building projects and undertakings.

Section 8. Section 162.510 of the Kentucky Revised Statutes is amended to read as follows:

The Kentucky Public School Authority is abolished, and the powers and functions exercised by it prior to the effective date of this Act are transferred to the State Property and Buildings Commission. [There shall be an agency and instrumentality of the Commonwealth for the purpose of assisting the boards of education of any county or independent school districts, upon request of such boards, in the financing of public school building projects and undertakings; and the same is hereby created and established as a public corporation under the name Kentucky Public School Authority, with perpetual succession, and with power in that name to contract and be contracted with, sue and be sued, have and use a corporate seal, and exercise the usual powers of private corporations except as expressly limited in KRS 162.510 to 162.620.]

Section 9. Subsection (1) of KRS 162.520 is amended to read as follows:

As used in KRS 162.540, 162.550, 162.580, 162.590, 162.600 and 162.620 "authority" means "State Property and Buildings Commission." ["Authority" means the Kentucky Public School Authority established by KRS 162.510 to 162.620;]

Section 10. Subsection (2) of Section 56.550 of the Kentucky Revised Statutes is amended to read as follows:

Except as provided by Sections 7, 8 and 9 of this Act, nothing in KRS 56.440 to 56.540 shall be construed to apply to school districts, or to affect the rights, powers and duties of the governing authorities of such districts; provided, however, that the acquisition of sites, and the acquisition, purchase, construction, leasing and operation of television facilities as an aid to education or as an aid to any other proper public function, shall be deemed to be matters of statewide jurisdiction and interest, and any or all of such activities on the part of the commission shall not be deemed to constitute encroachment upon the authority of any school district.

Section 11. Section 45.150 of the Kentucky Revised Statutes is amended to read as follows:

(1) No work shall be commenced and no contract shall be entered into for the improvement of lands or the construction, alteration, reconstruction or repair of any building or other structure, or sewage disposal or water supply system, or any road or bridge except roads and bridges under the jurisdiction of the Department of Highways, where the work involves an expenditure of more than *twelve* [ten] thousand dollars from the State Treasury under an appropriation made by the General Assembly, until the plans and specifications, estimates of cost, and the bids received, covering the entire work contemplated, and the proposed contracts therefor, have been submitted to the Department of Finance, and the execution of the contracts or the undertaking of the work has been approved and authorized by the Department of iFnance. The department shall not so approve nor authorize any such contract nor the undertaking of such work in any case in which it finds that the cost of completing the work contemplated will exceed the amount of appropriation therefor, or that the work contemplated will be insufficient for the purposes for which the appropriations were made, or that after providing for the ordinary recurring expenses of government and for debt service, and for payments under existing allotments for extraordinary expenses and capital outlays, cash will not be available in the State Treasury promptly to pay for such work during the biennium.

(2) No capital outlay that does not exceed *twelve* [ten] thousand dollars shall be permitted without approval of the plans and release of the appropriation by the Governor. The Governor shall not approve any such capital outlay unless the plans carry out the intent of the General Assembly as indicated by the appropriation Acts and the Department of Finance is satisfied that the cash will be available to meet such outlay. This subsection does not apply to capital outlays of the Department of Highways for roads and bridges.

Section 12. Subsection (2) of Section 148.030 of the Kentucky Revised Statutes, Subsection (4) of Section 152.590 of the Kentucky Revised Statutes, Section 152.600, 152.610, 152.620, 152.630, 152.640, 152.650, 152.660, 152.680, 162.530, 162.560, 162.570, 162.610 and 183.136 of the Kentucky Revised Statutes are repealed.

SB 4, AN ACT relating to medical and dental education and research.

WHEREAS, the need for medical and dental education and research in Kentucky is plain and clear; and

WHEREAS, the University of Louisville School of Medicine is one of only two medical colleges, and the University of Louisville School of Dentistry is one of only two dental colleges in the Commonwealth; and

WHEREAS, the rising costs of medical and dental education and research are such that the University of Louisville Schools of Medicine and Dentistry cannot meet the expenses of their programs from the resources presently available to them:

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. (1) The General Assembly recognizes the continuing need for medical and dental education and research in Kentucky, and that the need is larger than the capacity of the facilities of the state university to supply. The General Assembly finds that the University of Louisville Medical and Dental Schools help to supply, for the entire state, this need existing in the fields of medical and dental education and research, and declares that support of the University of Louisville Medical and Dental Schools is a public purpose for which public money may be validly expended.

(2) The University of Louisville shall keep its books and records available to the State Auditor. An audit of expenditure of public money by the University is subject to the laws generally governing audits of expenditures of public money.

Section 2. Section 164.025 of the Kentucky Revised Statutes is repealed.

Committee on Judiciary reported **SB 11** with the expression of opinion that same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 11, AN ACT relating to the Thirtieth Circuit Court District; creating two additional common pleas divisions and the office of circuit judge for each of the divisions established by this Act.

WHEREAS, the population of Jefferson County is now 652,400, and

WHEREAS, the 1960 census revealed that the population of Jefferson County was 610,947, the present population constituting an increase of 41,453 since 1960, and

WHEREAS, the five existing common pleas divisions of the Thirtieth Circuit Court District have had an increasing number of cases which is creating delay in bringing actions to trial, and

WHEREAS, a survey of the judges of the Thirtieth Circuit Court District conducted by the Louisville Bar Association indicates a serious need for additional common pleas divisions in the district, and

WHEREAS, the population of Jefferson County justifies the addition of at least two judges to the circuit court of the Thirtieth Circuit Court District,

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Two judges of the circuit court for the Thirtieth Circuit Court District are added to the district.

Section 2. Two divisions are added to the Common Pleas Branch of the Circuit Court for the Thirtieth Circuit Court District, to be named the Common Pleas Branch Sixth Division, and the Common Pleas Branch Seventh Division. One of the judges provided for this Act shall be the judge of the Common Pleas Branch Sixth Division and one shall be the judge of the Common Pleas Branch Seventh Division.

Section 3. At the regular election to be held on the first Tuesday after the first Monday in November, 1964, there shall be elected for the Thirtieth Circuit Court District a judge of the Common Pleas Branch Sixth Division and a judge of the Common Pleas Branch Seventh Division. The elections shall be held in accordance with the provisions of KRS 24.190.

Section 4. The courts in the Thirtieth Circuit Court District shall be held and the business therein conducted in the manner provided by law.

Section 5. Whereas the public welfare demands that the benefits of administration of justice without undue delay be made available to the Thirtieth Circuit Court District, an emergency is hereby declared to exist, and this Act shall become effective upon its passage and approval by the Governor.

Calendar

SB 5 taken from the Calendar and ordered read at length for the second time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

Reference of Bills

The Clerk announced that the following bills had been referred:

State and County Governments: **SB 20.**

Municipalites: **SB 21.**

Suffrage, Elections and Constitutional Amendments: **SB 22.**

Ways and Means: **SB 23, SB 25.**

Administrative Agencies: **SB 24.**

Military Affairs and Civil Defense: **SB 26.**

Judiciary: **SB 27.**

Senator Gardner moved that the Senate adjourn until 10:00 A.M., Friday, January 24. Agreed.

FRIDAY, JANUARY 24, 1964

FIFTEENTH LEGISLATIVE DAY

The Senate was called to order by the President Pro Tempore, Senator Ware.

Prayer by the Reverend Herman M. Bowers of the First Baptist Church of Frankfort.

The roll was called. All present except Senators Blue, Derickson, Edwards, Garrett, McCann and Nichols, who were granted leave of absence on motion of Senator Billington.

Reading of the Journal for January 23 dispensed with and the same approved on motion of Senator Bonn.

House Message

Announcing passage of **SR 11, HB 39.**

Introduction of Bills

SB 38, by Senator VanHoose: AN ACT to reapportion the appellate court district.

SB 39, by Senator Kinkead: AN ACT relating to the weekly day of rest.

SB 40, by Senator Swope: AN ACT relating to reports of automobile accidents.

SB 41, by Senator Mobley: AN ACT relating to commonwealth attorneys.

SB 42, by Senator Mobley: AN ACT relating to motor vehicles.

SB 43, by Senator Mobley: AN ACT relating to elections.

SB 44, by Senators Mobley and Newberry: AN ACT relating to education.

Report of Committees

Committee on Transportation and Highways reported **SB 15** with the expression of opinion that same should not pass.

Committee on Transportation and Highways reported **SB 6** with the expression of opinion that same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 6, AN ACT relating to State Appropriations for County Roads allocated among counties; statements of disbursements and balances.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 179.410 of the Kentucky Revised Statutes is amended to read as follows: The Department of Highways shall allocate the sum appropriated by the General Assembly for the construction, reconstruction, improvement, and maintenance of county roads and bridges in accordance with the provisions of KRS 177.360(1).

The Department of Highways, at the close of each fiscal year or as soon thereafter as practicable, shall furnish to the Fiscal Courts of the several counties a statement showing the total amount of all disbursements, the unliquidated and unencumbered balances of the funds allocated to the respective counties for that fiscal year.

Committee on Appropriations reported **HR 6** with the expression of opinion that same should pass, with Committee Amendment attached thereto. Read at length for the first time and ordered placed in he Calendar.

HR 6, A JOINT RESOLUTION making an appropriation to the Legislative Research Commission for special expenses incurred in connection with sessions of the General Assembly and declaring an emergency.

WHEREAS, additional personnel are necessary to expedite properly the business of the Senate and the House of Representatives; and

WHEREAS, the present appropriation of the Legislative Research Commission is insufficient to provide adequate clerical services to the General Assembly:

NOW, THEREFORE,

Be it resolved by the General Assembly of the Commonwealth of Kentucky:

That there be appropriated out of the General Expenditure Fund to the Legislative Research Commission the sum of one thousand and five hundred dollars per calendar day during all regular and special sessions of the General Assembly. This appropriation shall be available for expenditure during the 1963-1964 fiscal year.

WHEREAS, the General Assembly is now in session and it is necessary that these funds be available immediately, an emergency is declared to exist and this resolution shall become effective upon its passage and approval by the Governor, and shall be retroactive to include payment of compensation to such personnel from and including January 7, 1964.

Said Committee Amendment to **HR 6** is as follows:

"Amend printed copy of House Resolution 6, on page 1, line 3, by deleting the words "five Hundred" and inserting in lieu thereof the words "seven hundred and fifty."

Committee on Suffrage, Elections and Constitutional Amendments reported **SB 22** with the expression of opinion that same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 22, AN ACT relating to age of majority.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Persons of the age of eighteen years are of the age of majority for all purposes in this Commonwealth except for the purchase of alcoholic beverages, for which twenty-one years is the age of majority.

Committee on Suffrage, Elections and Constitutional Amendments reported **SB 17** with the expression of opinion that same should not pass.

Calendar

SB 3, SB 4, SB 11 taken from the Calendar and ordered read at length for the second time. Senator Gardner moved that they be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

Announcement

Senator Spence announced a meeting of the Committee on Health, Welfare at 7:00 P.M., Monday, January 27, in Room 318.

Motion

Senator Mann moved that when the Senate adjourns today that it do so in honor of the birthday of Senator Pleaz Mobley. Agreed.

Orders of the Day

Senator Gardner moved that **SB 5** retain its place in Orders of the Day. Agreed.

Senator Gardner moved that the Senate adjourn until 8:00 P.M., Monday, January 27. Agreed.

MONDAY, JANUARY 27, 1964

SEVENTEENTH LEGISLATIVE DAY

The Senate was called to order by the President.

Prayer by the Reverend J. Carter Roberts of the Church of the Nazarene, Frankfort.

The roll was called. All present except Senators Howard, McCann and Nichols, who were granted leave of absence on motion of Senator Gardner.

Reading of the Journal for January 24 dispensed with and the same approved on motion of Senator Gardner.

Introduction of Bills and Resolution

SB 45, by Senator Garrett: AN ACT relating to the defense of contributory negligence in actions for injury to persons or property or for wrongful death.

SB 46, by Senator McCann: AN ACT relating to holidays.

SB 47, by Senators McGinty, Duffy, Miller and Layne: AN ACT relating to real property owned by cities.

SB 48, by Senator Buckman: AN ACT Proposing an amendment to Section 99 of the Constitution of Kentucky relative to sheriffs.

SB 49, by Senator Garrett: AN ACT providing a penalty for violation of KRS 336.130.

SB 50, by Senator Ware: AN ACT to revise and correct the Kentucky Revised Statutes.

SR 12, by Senator Layne: A JOINT RESOLUTION establishing a committee to conduct seminars on the political responsibility of citizens.

Recess

Senator Swope moved that the Senate recess for five minutes for the purpose of having a Republican caucus. Agreed.

At the appointed hour the President resumed the chair and called the Senate to order.

Report of Committees

Committee on Health and Welfare reported **SB 8** with the expression of opinion that same should pass, by way of Committee

Substitute. Committee Substitute to **SB** 8 read at length for the first time and ordered placed in the Calendar.

SB 8, AN ACT relating to dentistry.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 313.010 is amended to read:

As used in this chapter, unless the context requires otherwise:

(1) "Board" means the Kentucky State Board of Dental Examiners.

(2) Any person shall be regarded as "practicing dentistry" who, for a fee, salary or other reward paid, or to be paid *either* to himself, *or to another person,* performs or advertises to perform, dental operations of any kind, or who diagnoses or treats diseases or lesions of human teeth or jaws, or attempts to correct malpositions thereof, or who diagnoses or treats disorders, or deficiencies of the oral cavity and adjacent associated structures, or who takes impressions of the human teeth or jaws, or shall construct, supply, reproduce or repair any prosthetic denture, bridge, artificial restoration, appliance or other structure to be used or worn as a substitute for natural teeth, except upon the *written* order *or* [of] prescription of a licensed dentist and constructed upon or by the use of casts or models made from an impression taken by a licensed dentist, or who shall advertise, offer, sell [,] or deliver any such substitute or the services rendered in the construction, reproduction, supply or repair thereof to any person other than a licensed dentist, or who places or adjusts such substitute in the oral cavity of another, or who uses the words "dentist," "dental surgeon," the letters "D.D.S.," "*D.M.D.*," or other letters or title in connection with his name, which in any way represents him as being engaged in the practice of dentistry.

(3) "Dental hygiene" shall mean the treatment of human teeth by *scaling, polishing, planing and* removing therefrom calcareous deposits, and by removing accumulated accretion from directly beneath the free margin of the gums; [, and by polishing the exposed surface of the teeth, and shall also mean] the making of X-ray exposures of teeth and surrounding tissues; *the clinical examination of the teeth and surrounding tissues for carious lesions; periodontal pockets and other abnormal conditions; the obtaining and recording of basic medical and dental histories and information; the instruction of patients in proper tooth care; the application of sodium or stannous fluoride or other substances beneficial in the control of caries; the application of desensitizing agents; the polishing, and smoothing of rough edges, of restorations; and the cementing of facings and pontics outside of a patient's mouth;* provided, that nothing in KRS 313.260 to 313.350 shall

be so construed as to affect the practice of medicine or dentistry nor to prevent students of a dental college or university from practicing dental hygiene under supervision of their instructors; [.] *and, provided further, that nothing in KRS 313.260 to 313.350 shall be construed to authorize any dental hygienist to perform any operation in a patient's mouth without supervision of a dentist within the dentist's office.*

[(4) "Dental Hygienist" shall mean any person who practices dental hygiene.]

Section 2. KRS 313.020 is amended to read:

(1) No person, except those licensed and registered under prior laws of this state, shall practice or attempt to practice dentistry unless he has been licensed by the board and has registered his license as provided in KRS 313.110.

(2) No dentist shall use the services of any person not licensed to practice dentistry in this state to construct, alter, repair or dupicate any denture, plate, bridge, splint, othodontic or prosthetic appliance, without first furnishing such unlicensed person a written prescription or work authorization on forms prescribed by the board. Such unlicensed person shall retain the original prescription or work authorization, and the dentist shall retain a duplicate copy, for two years from the date thereof. All such prescriptions and work authorizations required by this subsection shall be open for inspection by the board.

(3) If the person receiving a prescription or work authorization from a licensed dentist engages another person to perform any of the services relative to such prescription or work authorization, such other person shall furnish a written work order with respect thereto on forms prescribed by the board. Such person shall retain the original work order, and the person issuing such work order shall retain a duplicate copy for two years from the date thereof. All such work orders required by this subsection shall be open for inspection by the board.

(4) Nothing in this section shall prevent a licensed dentist having a technician working exclusively for him from doing laboratory work under his direction within the confines of his office without a prescription.

Section 3. KRS 313.040 is amended to read:

(1) An applicant for a license to practice dentistry shall be of good moral character and at least twenty-one years of age at the time of making the application. The application shall be accompanied by evidence satisfactory to the board that the applicant is a graduate of [,] and has a diploma from a reputable dental college, school or department of a reputable university, rated as acceptable by the board. The board shall rate dental colleges, schools or departments of a

university, or accept the ratings issued by accredited bodies approved by it. The application shall be made to the board in writing. It shall be accompanied by an examination fee of *fifty* [forty] dollars, payable to the secretary-treasurer.

(2) No person shall file, or attempt to file as his own the diploma or license of another, or a forged affidavit of identification or qualification.

Section 4. KRS 313.070 is amended to read:

In addition to the *fifty* [forty] dollar examination fee required in KRS 313.040, a fee of *ten* [five] dollars shall be paid to the secretary-treasurer for every license *certificate* and *ten* [five] dollars for every duplicate license *certificate* issued by the board.

Section 5. KRS 313.080 is amended to read:

(1) By December 31 of each year, every dentist licensed to practice in this state shall *return* [transmit] to the secretary-treasurer of the board his *renewal notice properly signed and a fee of twenty-five dollars and shall receive a license renewal certificate.* [signature and address, together with a fee of three dollars and the number of his registration certificate, and shall receive a renewal license certificate. The license shall not be renewed if the holder has been out of active practice for five years immediately preceding] *When the amount of the balance of cash in the hands of the secretary-treasurer reaches the sum of twenty-five thousand dollars, the board may fix the annual renewal license fee at such amount, not less than five dollars nor more than twenty-five dollars, as is necessary to maintain a revolving fund at an approximate level of twenty-five thousand dollars.*

(2) The license fee for each year shall be set annually by the board at its October meeting. Notice of such change in the amount of license renewal fee shall be given to each dentist registered in the state by the secretary-treasurer not later than December 1. Any license granted by the board shall be *suspended* [cancelled] if the holder fails to secure the renewal certificate by March 1 of each year, but any license thus *suspended* [cancelled] may be restored by the board upon the payment to the secretary-treasurer of a *reinstatement* fee of *fifty* [twenty-five] dollars within one year after the *suspension* [cancellation].

Section 6. (1) The board, upon the affirmative vote of all members present at any meeting, may issue a license without examination to an applicant who furnishes satisfactory proof that he is a graduate of, and has a diploma from, a reputable dental college, school or department of a university accredited in the manner provided by KRS 313.040, and who holds a license from a dental board similar to the board under requirements and standard equal to or higher than those of this state.

(2) No license shall be issued under this section unless the state or territory of the United States or the District of Columbia issuing the license referred to in this section affords similar privileges to a dentist of Kentucky holding a license from the board who removes to or desires to practice his profession in such state or territory of the United States or the District of Columbia.

(3) Where there is no reciprocity agreement, the board, upon the affirmative vote of all members present at any meeting, may issue a license without examination to an applicant who, for five consecutive years next preceding the filing of his application, has been engaged in the active practice of dentistry; provided, that he was legally authorized to practice dentistry in a state or territory of the United States or the District of Columbia; and, further provided, that his qualifications for such authorization were equal to a higher than those of this state. Actively engaging in the teaching of dentistry shall be considered actively engaged in the practice of dentistry.

(4) The fee for reviewing the qualifications of an applicant under this section shall be fifty dollars and the fee for issuing a license certificate shall be ten dollars.

Scetion 7. Any licensed dentist who desires temporarily to retire from practice and who has given the board notice in writing to that effect, shall be granted such a retirement. Such a license shall be reinstated upon request and after payment of accumulated renewal fees and cost of reinstatement.

Section 8. KRS 313.120 is amended to read:

The failure of any person obtaining a license to register it with the county clerk of *the* [some] county of *his residence* within ninety days from the date of issuance, and the failure of any person who removes to another county to practice to register his license with the county clerk of that county within ninety days shall work a forfeiture of the license. No license, so forfeited, shall be restored except upon payment of *twenty-five dollars to the secretary-treasurer of the board* [to the secretary-treasurer of the board of twenty-five dollars].

Section 9. KRS 313.130 is amended to read:

The board may revoke, suspend or refuse to renew the license of any dentist for any of the following causes:

(1) Conviction of a felony or misdemeanor involving moral turpitude, in which case the record of conviction or a copy thereof, certified by the clerk of the court or by the judge in whose court the conviction is had, shall be conclusive evidence.

(2) Renting or lending to any person his license or diploma to be used as a license or diploma, or illegally or fraudulently obtaining a license from the board.

(3) Unprofessional conduct or gross ignorance or inefficiency in his profession.

(4) Failure or refusal to comply with the orders of the board issued pursuant to section 11 or 13 of this Act.

(5) Addiction to a drug habit.

(6) Chronic or persistent alcoholism.

(7) Physical or mental disability, or other condition, that continued practice would be dangerous to patients or to the public.

Section 10. KRS 313.140 is amended to read:

Unprofessional conduct *includes, but is not limited to,* [means any of] the following acts:

(1) Employing "cappers" or "steerers" to obtain business; or employing directly or indirectly any student, or any suspended or unlicensed dentist *or other person* to perform operations of any kind, or to treat lesions of the human teeth or jaws, or correct *malpositions or malformations* [malpositioned formations] thereof.

(2) Obtaining any fee by fraud or misrepresentation; wilfully betraying any professional secrets; habitual intemperance, gross immorality [,] or the commission of a criminal operation; advertising to use drugs, patents, nostrums [,] or proprietary medicines; or splitting fees.

(3) *Advertising for dental patronage by means of circulars, handbills, posters, cards, stereopticion slides, radio, newspapers, telephone directory, television, motion pictures or public address systems;* making use of any advertising statements of a character tending to deceive or mislead the public; advertising professional superiority or the performance of professional service in a superior manner; advertising prices for professional service; advertising credit or terms of credit; advertising by means of electric sign, illuminated sign, sign that sets forth more than the name, profession, title (such as D.D.S. and D.M.D.) and office hours of the dentist, sign more than six inches in height, or display the lettering of which is more than six inches in height; advertising by means of a sign or display that contains or is a representation or reproduction of a tooth, bridgework or any portion of the human head; advertising free dental work or free examinations or advertising to guarantee any dental service or to perform any dental operation or act painlessly; or employing or make use of advertising solicitors or free publicity press agents.

(4) Unprofessional conduct does not include the use of professional cards that contain only a name, title (such as D.D.S. or D.M.D.), address, telephone number and office hours. It is unprofessional conduct for any dentist to announce or hold himself out to the public as being especially qualified in any branch of dentistry

without having obtained a license as a specialist therein from the board.

Section 11. The board may employ and appoint persons, acting under its authority and direction, to make investigations and report to the board from time to time with respect to any violation of any of the provisions of this chapter. The authority of any such person is to be evidenced by an order of the board, or by a copy thereof, duly certified by the secretary of the board.

Section 12. KRS 313.200 is amended to read:

(1) *When the appointments have been made as provided in this section,* the Kentucky State Board of Dental Examiners shall consist of *seven* [five] practicing dentists, each appointed by the Governor from a list of three names recommended by the *resident licensed dentists of Kentucky at an annual election at a time and place selected by the Kentucky State Board of Dental Examiners* [Kentucky State Dental Association at its annual meeting]. *Four members shall be appointed in 1964; two for four years, one for one year, one for three years, and two every fourth year thereafter. Two members shall be appointed in 1965 and every fourth year thereafter; one member in 1966 and every fourth year thereafter; and two members in 1967 and every fourth year thereafter* [one member shall be appointed each year, except that every fourth year, beginning with 1951, two members shall be appointed].

(2) Each member shall have been an actual resident and licensed practicing dentist of this state for not less than five years immediately preceding his appointment to the board. He shall not be in any way connected with or interested in any dental college or dental department of any institution of learning or dental supply business.

(3) Each member of the board shall hold office for four years, *except for 1964 when one term for one year and one term for three years are included,* and until his successor is appointed and qualities, [.] *except that no member shall serve more than two consecutive terms.* The terms of the members of the present board appointed under the former statute for a term beginning in *1959* [1943] shall be deemed to have expired in *1963* [1947], but *they* [he] shall be deemed to have continued in office pending the appointment and qualification of *their* [his] successors, who shall be appointed for [a] terms of four years calculated as if *they* [it] had begun in *1963* [1947], the appointment to be made from the list of names last submitted.

(4) Any vacancy shall be filled *for the unexpired term* by the Governor from the list mentioned in subsection (1) of this section.

(5) Each member of the board shall receive any necessary expenses incurred in attending its meetings. Each member except the

secretary-treasurer shall receive as compensation *fifty* [ten] dollars for each day actually engaged in the duties of his office. The secretary-treasurer shall *receive a salary of $2400 per year* [be allowed a reasonable salary fixed by the board].

Section 13. KRS 313.220 is amended to read:

(1) The board shall administer this chapter. It may make regulations for its own conduct and procedure, provide for affiliation with the *American* [National] Association of Dental Examiners, send *not more than two* delegates to its meetings and pay the expenses of those delegates. It may select the subjects and the standard of proficiency and percentage for examinations to practice dentistry, [employ an attorney to advise and assist it in enforcing this chapter, and pay him a reasonable compensation for such work. It may also, subject to the provisions of this chapter, regulate the practice of dentistry in this state.] *and it shall conduct the examinations of all applicants for a license under the provisions of this chapter.*

(2) The board shall make a report of its proceedings to the Governor by *February 1* [December 31] of each year, showing all money received and disbursed by it pursuant to this chapter *for the preceding year ended December 31.*

(3) The board may employ attorneys to advise and assist it in enforcing this chapter, and pay them a reasonable compensation for such work.

(4) The board may, subject to the provisions of this chapter, regulate the practice of dentistry in this state.

(5) The board may employ such assistants, inspectors, investigators, clerks, and other persons as it deems necessary to enforce this chapter. It may authorize any of such employes to make investigations and report to the board with respect to any violation of any of the provisions of this chapter or any regulation or order of the board, to inspect any dental office or place where dental operations are performed and to deliver or transmit to any holder of a license under this chapter any order of the board with respect to the licensee's performance of his work under the authority of such license. If any holder of a license under this chapter fails or refuses to admit any such representative of the board for the purpose of making any such examination or inspection or if any holder of any such license fails or refuses to comply with any order or direction of the board, such failure or refusal shall be reported to the board for whatever disciplinary action it deems appropriate, including revocation of any license if such failure or refusal is deemed by the board to be material.

(6) Any representative of the board performing any of the duties referred to in this section shall be furnished with a copy, certified by

the secretary-treasurer, of the order of the board pursuant to which he is performing such duties.

Section 14. From and after the passage of this Act, it shall be the duty of every person practicing dentistry within the State of Kentucky, upon written demand made by the secretary of the State Board of Dental Examiners, to furnish in writing, within twenty days after such demand, the name and address of each and every person practicing or assisting in the practice of dentistry in the office of said person, together with a sworn statement showing by what authority or license such person or persons are practicing dentistry and in what capacity nonlicensed persons are assisting in practice; said list of names and addresses shall include all persons who have been thus employed within the sixty days next preceding such demand: Provided, however, that such affidavit shall not be used as evidence against either said person or persons so reported in any proceeding under this Act.

Section 15. KRS 313.240 is amended to read:

(1) No person shall *practice or* offer to practice dentistry or dental surgery under the name of any company, [.] *association, or corporation except the name of a professional service corporation established under KRS Chapter 274.* Any person practicing or offering to practice dentistry or dental surgery shall practice under his own name *or the name of the professional service corporation which includes his name. No such person shall conduct a dental office in his name nor advertise his name in connection with any dental office unless he personally performs services as a dentist or dental surgeon in such office or personally supervises such services as are performed in such office during a portion of the time such office is operated by him* only, and shall not use his name in connection with that of any other dentist.

(2) No person shall be an incorporator, director, officer, or shareholder in more than two professional service corporations rendering dental or dental surgery services. No dentist or dental surgeon or group of dentists or dental surgeons shall practice in more than two locations.

Section 16. KRS 313.250 is amended to read:

(1) Licensed druggists may fill prescriptions of licensed dentists of this state for any drug necessary to the practice of dentistry.

(2) Dentists may sign death certificates the same as physicians, when necessary in the line of their profession.

(3) Nothing in this chapter *shall apply to a legally licensed doctor of medicine unless he practices dentistry as a specialty nor to a practitioner of dentistry duly licensed by another state or the District of Columbia while making a clinical demonstration before a dental society, convention, association of dentists or a dental school.* [shall prevent any licensed physician or surgeon from extracting teeth or

treating any disease coming within the province of the practice of medicine].

Section 17. The board is authorized to establish by regulations standards for accrediting dental laboratories which shall be not less than those recommended by the American Dental Association's Joint Commission on Accreditation of Dental Laboratories.

Section 18. KRS 313.300 is amended to read:

(1) Any eligible person desiring to practice dental hygiene shall make written application to the board to take the examination. Such application shall be accompanied by a written recommendation of two reputable dentists of this state, and by an examination fee of *twenty-five* [twenty] dollars, which sum is authorized to be charged for each examination by the board.

(2) As soon as the board has determined that an applicant has successfully passed the examination, a license to practice dental hygiene in this state shall be issued by the board to such applicant. The license shall be for one calendar year or for the remaining portion thereof if issued as of a date after January 1. Each license shall be renewed from year to year, except for cause as herein provided.

(3) The board shall charge *ten* [three] dollars for each license *certificate* [or renewal license] issued, which sum shall be paid in advance or at the time the license is issued.

Section 19. (1) The board, upon the affirmative vote of all members present at any meeting, may issue a license without examination to an applicant who furnishes satisfactory proof that the applicant is a graduate of an accredited school of dental hygiene in any state or territory of the United States or the District of Columbia and who holds a license from a similar dental board having requirements and standards equal to or greater than those of this state.

(2) An application for the license provided by this section shall be made on forms prescribed by the board and accompanied by:

(a) A fee for review of qualifications of the applicant of twenty-five dollars; and

(b) A recommendation from the dental board of the state or territory of the United States or the District of Columbia where the applicant has practiced.

(3) No license shall be issued under this section unless the state or territory of the United States or the District of Columbia where the applicant has practiced grants a similar privilege to applicants holding a dental hygienist's license from this state.

(4) The board shall charge ten dollars for each annual certificate of renewal of any license issued in accordance with the provisions of this section.

Section 20. (1) Every person licensed by the board to practice dental hygiene shall, before beginning to practice, have the license registered with the county clerk of each county in which he desires to practice, by appearing before the clerk of each such county and filing his affidavit, showing that he has been examined and licensed under this chapter. Dental hygenists may be registered in the same book as dentists are registered as provided in KRS 313.110.

(2) The county clerk before whom such person appears shall attest the filing of the license certificate in duplicate on blanks furnished to the licensee by the board, one copy to be retained by the licensee and the other to be forwarded by the licensee to the secretary-treasurer of the board.

(3) The county clerk may receive a registration fee of fifty cents for each registration.

Section 21. KRS 313.310 is amended to read:

No person shall practice dental hygience nor hold himself [nor herself] out as a dental hygienist without a license issued by the board, and unless he [or she] is an employe of a licensed and practicing dentist in this state and is under the continuous supervision and inspection of such dentist, provided that the board, in its discretion, may grant permission for the employment of a dental hygienist by any organization. A practicing dentist may not have in his employ more than *two* [one] dental hygienists. The license for each dental hygienist shall be continuously displayed in a conspicuous place in the office of the licensee.

Section 22. KRS 313.350 is amended to read:

(1) All fees imposed and collected under the provisions of KRS *313.040 to 313.470* [313.260 to 313.340] shall be paid to the secretary-treasurer of the board [for the use of the board,] and shall be deposited in the State Treasury to the credit of a revolving fund for the *exclusive* use of the board. *All disbursements by the board in the transactions of its business and in the enforcement of the provisions of this chapter shall be paid out of such revolving fund as claims against the state in accordance with the provisions of KRS Chapter 45.*

(2) The board may establish a petty cash fund not to exceed $1,000 for the purpose of making disbursements requiring prompt cash outlay, and to carry out the provisions of KRS 42.060 (2) applying to the delegation of authority to purchase.

Section 23. KRS 313.400 is amended to read:

(1) The following branches of dentistry are hereby recognized as suitable fields for the licensing and certification of dental specialist, and are known as "*Specialties*": ["Specialists".]

(a) Oral Surgery,
(b) Orthodontia,
(c) Pedodontia,
(d) Periodontia,
(e) Prosthodontia,
(f) Oral Pathology,
(g) Public Health,
(h) Any other field of specialty duly recognized and approved by the American Dental Association.

(2) As used in KRS 313.140, 313.400 to 313.470 and subsection (6) of KRS 313.990, unless the context requires otherwise, [:] "Board" means the Kentucky State Board of Dental Examiners.

Section 24. KRS 313.410 is amended to read:

No licensed dentist shall hold himself out to the public as being especially qualified in any branch of dentistry by announcing through the press, sign, card, letterhead or printed matter, or any means of public advertising using such terms as "specialist," or inserting the name of the specialty, or using other phases customarily used by qualified specialists that would imply to the public that he is so qualified, without first securing a specialist's license of same as provided in *this chapter.* [KRS 313.140 and 313.400 to 313.470].

Section 25. KRS 313.430 is amended to read:

(1) To be entitled to take the examination provided for in subsection (2) of KRS 313.420 an applicant must:

(a) File with the secretary-treasurer of the board an application accompanied by an examination fee of *fifty* [forty] dollars [;] and *a fee of ten dollars shall be paid to the secretary-treasurer of the board for each license certificate issued under this section.*

(b) *Each applicant shalls*

1. Present to the board satisfactory evidence that he has *had* a period of study, after graduation from a dental school, hospitals, clinics, dispensaries, [or preceptorships under the direction of a certified specialist,] or in fundamental science laboratories recognized by the Council on Dental Education of the American Dental Association and by the board as competent to provide adequate training in the special field. This period of study may be pursued wholly [in a school giving graduate or postgraduate courses and need not lead to an advanced degree. It may also be pursued wholly] in hospitals, clinics, dispensaries, [preceptorships,] or fundamental science laboratories; or it may be pursued partially in schools [or preceptorships] and partially in other types of institutions. [One full academic year of graduate or post-graduate study will be considered as equivalent to a calendar year. Teaching, or a fellowship in the field of the specialty, may be considered in partial fulfillment of this requirement. The character of this period of study will be determined by the board.]

2. Meet the minimum requirements for membership in the respective American Specialty Organizations recognized by the American Dental Association.

(c) For the purposes of paragraph (b) of this subsection, one full academic year of graduate or post-graduate study will be considered as equivalent to a calendar year. Teaching, or a fellowship in the field of the specialty, may be considered in partial fulfillment of this requirement. The character of this period of study will be determined by the board.

(2) Examinations shall be clinical and written and of such character as to test in a satisfactory manner the qualifications of the applicant to specialize in the branch of dentistry for which license is sought. *Examination shall be conducted by at least one member of the board and, if available, two specialists in the field who are not members of the board and who will act as consultants.* Examination papers and clinical examination results [, where possible,] shall be retained by the secretary-treasurer of the board for at least two years.

Section 26. (1) No specialty license shall be issued unless the applicant presents proof satisfactory to the board that he will limit his practice to that specialty from date of receipt of such license. Upon the failure of a specialty licensee to limit his practice to the specialty in which he is licensed, the board shall recall his specialty license and revoke the privilege of announcing to the public that he is especially qualified in, or is limiting his practice to, such specialty. The specialty license and the privileges attached thereto shall be restored to the dentist when satisfactory proof has been presented that such dentist is limiting his practice to the specialty in which he was licensed.

(2) No provision in this chapter shall be construed as limiting or preventing a duly licensed and qualified dentist from performing, without a specialty license, dental acts or services to the public in any of the branches of dentistry set out in KRS 313.400.

Section 27. KRS 313.440 is amended to read:

(1) All applicants for a specialty license shall be required to pay a fee of *ten* [five] dollars to the secretary-treasurer of the board for every specialty license *certificate* issued to him, and *ten* [five] dollars for every duplicate license *certificate* issued to him by the board.

(2) Every specialty license *certificate* issued by the board shall bear a serial number, the full name of the applicant, the date of issue,

and the seal of the board. It shall be signed by a majority of the emmbers and attested by the president.

Section 28. No person licensed under this chapter, who in good faith renders emergency care at the scene of the emergency, shall be liable for any civil damages as a result of any acts or omissions by such person in rendering the emergency care.

Section 29. KRS 313.990 is amended to read:

(1) Any person who practices or attempts to practice dentistry without a license in violation of KRS 313.020 shall be fined one thousand dollars or imprisoned in the county jail for not more than thirty days, or both, for the first offense; and for each subsequent offense shall be fined two thousand dollars or imprisoned in the county jail for not more than sixty days, or both. Each day that a person [,] without a license, practices or attempts to practice dentistry shall constitute a separate offense.

(2) Any person who violates subsection (2) of KRS 313.040 shall be confined in the penitentiary not less than one nor more than five years.

(3) Any person who violates KRS 313.230 shall be fined not less than twenty-five dollars nor more than fifty dollars for the first offense; and for each subsequent offense shall be fined not less than one hundred dollars nor more than two hundred and fifty dollars or imprisoned in the county jail for not less than thirty nor more than sixty days, or both.

(4) Any person who violates KRS 313.240 shall be fined not more than one thousand dollars. For a second or subsequent offense the license of any person who has violated such section may be suspended or revoked as provided in KRS 313.150.

(5) [(4)] Any person who violates any provision of KRS 313.030 to 313.250 for which no specific penalty has been provided shall be fined not less than one hundred dollars nor more than five hundred dollars for the first offense; and for each subsequent offense shall be fined not less than one hundred dollars nor more than five hundred dollars or imprisoned in the county jail for not more than six months, or both. Each day that a person illegally holds himself out as practicing dentistry shall constitute a separate offense.

(6) [(5)] Any person who violates any provision of KRS 313.260 to 313.350 shall be fined not more than fifty dollars or imprisoned in the county jail for not more than thirty days, or both.

(7) [(6)] Any dentist who violates the provisions of KRS 313.410 shall, upon conviction thereof, be fined not less than one hundred dollars nor more than five hundred dollars, or imprisoned for not less than thirty days nor more than sixty days, or both.

(8) Any person who knowingly sells dental supplies and equipment to a person who has been convicted under subsection (1) of this section shall be fined not more than one thousand dollars or imprisoned in the county jail for not more than thirty days or both, for the first offense; and for each subsequent offense shall be fined two thousand dollars or imprisoned in the county jail for not more than sixty days, or both.

Section 30. KRS 313.450 is repealed.

Committee on Executive and Legislative Affairs reported **HR 7** with the expression of opinion that same should pass. Read at length for the first time and ordered placed in the Calendar.

HR 7, A JOINT RESOLUTION authorizing the establishment of a Commission on Economy and Efficiency.

WHEREAS, methods and procedures for the elimination of waste and inefficiency in state government should be studied and formulated.

NOW, THEREFORE,

Be it resolved by the General Assembly of the Commonwealth of Kentucky:

Section 1. There is hereby established a Commission on Economy and Efficiency. The purpose of the Commission on Economy and Efficiency shall be to advise the General Assembly and the Governor on methods and procedures whereby the costs of rendering services of the state government may be reduced or may be provided more efficiently.

Section 2. The Commission shall be composed of not more than fifteen members. Members shall be appointed by the Governor for terms of two years each. The Governor shall appoint from its membership a Chairman and a Vice Chairman. Before entering upon their duties the members shall each take and subscribe to the Constitutional oath of office. Members, other than the Chairman, shall not be paid for their services, but shall be reimbursed for actual and necessary expenses incurred in the performance of their duties under this Act. The compensation of the Chairman who shall be Administrative Chairman of the Commission shall be set by the Governor.

Section 3. The Commission shall review and inspect the various programs of state government; recommend methods and procedures for the eilmination of waste and inefficiency in state government; and formulate programs of economy in government. The Commission shall submit interim reports to the Governor on its findings and recommendations and shall submit a final report to the General Assembly and the Governor no later than November 1, 1965.

Section 4. All departments, agencies and commissions of state government are directed to provide the Commission with such information as may be requested. The Commission may also employ such staff as may be required to carry out its functions.

Section 5. Whereas this study should start as soon as possible, an emergency is declared to exist, and this Joint Resolution shall become effective upon its passage and approval by the Governor.

House Message

Announcing passage of **HB 2, HB 45, HR 23.**

Calendar

SB 6, HR 6, SB 22 taken from the Calendar and ordered read at length for the second time. Senator Gardner moved that they be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

Orders of the Day

SB 5 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the Previous Question on **SB 5.** Agreed.

On the roll call the vote was yeas 32—Billington, Blue, Bonn, Brand, Brizendine, Buckman, Cobb, Derickson, Duffy, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McGinty, Miller, Mobley, Newberry, Palmer, Spence, Turner, Van Hoose, Ware. Nays 0.

SB 5 was passed and the title agreed to.

Senator Gardner moved that the vote by which **SB 5** was passed be reconsidered and that said motion be laid on the table.

SB 3 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner offered Amendment #1 to **SB 3** and moved its adoption. Agreed.

Said Amendment #1 to Senate Bill No. 3 is as follows:

Amend printed copy of Senate Bill 3, on page 8, line 26, by: Deleting therefrom the following: *and 183.136* So as to make the line read: *162.570 and 162.610 of the Kentucky Revised Statutes.*

Senator Gardner moved the Previous Question on **SB 3**, as amended. Agreed.

On the roll call the vote was yeas 28—Billington, Blue, Bonn, Brand, Brizendine, Buckman, Cobb, Derickson, Duffy, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, McGinty, Mobley, Newberry, Palmer, Spence, Turner, Van Hoose, Ware. Nays 5—D. Johnson, Layne, Mann, Miller, Swope.

SB 3, as amended, was passed and the title agreed to.

Senator Gardner moved that the vote by which **SB 3**, as amended, was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 4 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the Previous Question on **SB 4**. Agreed.

On the roll call the vote was yeas 33—Billington, Blue, Bonn, Brand, Brizendine, Buckman, Cobb, Derickson, Duffy, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McGinty, Miller, Mobley, Newberry, Palmer, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

SB 4 was passed and the title agreed to.

Senator Gardner moved that the vote by which **SB 4** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 11 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Duffy moved that **SB 11** retain its place in Orders of the Day. Agreed.

Senator Miller moved that the Rules be suspended for the purpose of introducing bills and resolution. Agreed.

Introduction of Bills and Resolution

SB 51, by Senators Miller, Duffy, McGinty, Bonn and Layne: AN ACT relating to boards of water works of the first class cities.

SB 52, by Senators Billington and Spence: AN ACT relating to renumbering of Senatorial districts.

SR 13, by Senators Kelly, Gardner and Kiser: A CONCURRENT RESOLUTION petitioning the Congress of the U. S. to call a Convention for proposing an Amendment to the Constitution of the U. S., etc.

Reference of Bills

The Clerk announced that the following bills had been referred:

Ways and Means: **HB 39, SB 38**

Judiciary: **SB 28, SB 34, SB 35, SB 41**

Education: **SB 29, SB 31, SB 44**

Administrative Agencies: **SB 30, SB 40**

Executive and Legislative Affairs: **SB 32**

Municipalities: **SB 33, SB 36, SB 39**

County and State Governments: **SB 37**

Transportation and Highways: **SB 42**

Sufferage, Elections and Constitutional Amendments: **SB 43**

Senator Gardner moved that the Senate adjourn until 1:00 P.M., Tuesday, January 28. Agreed.

TUESDAY, JANUARY 28, 1964

EIGHTEENTH LEGISLATIVE DAY

The Senate was called to order by the President.

Prayer by the Reverend J. Carter Roberts of the Church of the Nazarene, of Frankfort.

The roll was called. All present except Senators Duncan, Howard, Nichols and Van Hoose, who were granted leave of absence on motion of Senator Gardner.

Reading of the Journal for January 27 dispensed with and the same approved on motion of Senator Gardner.

Motions

HR 23, A CONCURRENT RESOLUTION concerning adjournment of the General Assembly.

Be it resolved by the House of Representatives of the Commonwealth of Kentucky, the Senate concurring therein:

That when the House of Representatives and the Senate do adjourn on Wednesday, January 29, 1964, they do so to convene again at 8:00 p.m. (EST), on Monday, February 3, 1964.

Senator Gardner moved the adoption of **HR 23.** Agreed.

Introduction of Bills and Resolution

SB 53, by Senators Layne and Miller: AN ACT relating to public education.

SB 54, by Senator Mann: AN ACT relating to suspension of drivers licenses.

SB 55, by Senator Buckman: AN ACT to protect and promote the health, comfort and welfare of employees by providing for one day rest in seven, and establishing conditions relating to working and doing business on Sunday.

SB 56, by Senator Buckman: AN ACT relating to the Attorney General.

SB 57, by Senator Garrett: AN ACT relating to construction work which may be done by the Department of Highways.

SB 58, by Senators Palmer, Derickson and Fairis Johnson: AN ACT relating to traffic regulations.

SB 59, by Senator Garrett: AN ACT relating to designation of state primary road system.

SR 14, by Senator Layne: A RESOLUTION urging re-evaluation of School Foundation Program in view of financial problems.

Calendar

SB 8, HR 7 taken from the Calendar and ordered read at length for the second time. Senator Gardner moved that they be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

Orders of the Day

SB 11 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Duffy moved, seconded by Senator Miller, the Previous Question on **SB 11.** Agreed.

On the roll call the vote was yeas 32—Billington, Blue, Bonn, Brand, Brizendine, Buckman, Cobb, Derickson, Duffy, Edwards, Engle, Fuqua, Gardner, Garrett, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Miller, Mobley, Newberry, Palmer, Spence, Swope, Turner, Ware. Nays 0.

SB 11 was passed and the title agreed to.

Senator Duffy moved that the vote by which **SB 11** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 6 taken from Orders of the Day and ordered read at length for the third time. Senator Kidwell moved that it be read by title only. Agreed by a majority of members elected.

Senator Kidwell moved the Previous Question on **SB 6.** Agreed.

On the roll call the vote was yeas 30—Billington, Blue, Bonn, Brand, Brizendine, Buckman, Cobb, Derickson, Duffy, Edwards, Engle, Fuqua, Gardner, Garrett, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, McCann, McGinty, Miller, Mobley, Newberry, Palmer, Spence, Swope, Turner, Ware. Nays 0.

SB 6 was passed and the title agreed to.

Senator Gardner moved that the vote by which **SB 6** was passed be reconsidered and that said motion be laid on the table. Agreed.

HR 6 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the adoption of the committee amendment to **HR 6.**

Senators Layne and Fuqua requested a roll call on the committee amendment to **HR 6.**

On the roll call the vote was yeas 28—Billington, Blue, Bonn, Brand, Brizendine, Buckman, Cobb, Derickson, Duffy, Edwards, Engle, Gardner, Garrett, Gay, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Mann, McCann, Mobley, Newberry, Palmer, Spence, Swope, Turner, Ware. Nays 4—Fuqua, D. Johnson, Layne, McGinty.

The committee amendment to **HR 6** was adopted.

Senator Gardner moved the Previous Question on **HR 6,** as amended. Agreed.

On the roll call the vote was yeas 32—Billington, Blue, Bonn, Brand, Brizendine, Cobb, Derickson, Duffy, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Miller, Mobley, Newberry, Palmer, Spence, Swope, Turner, Ware. Nays 0.

HR 6, as amended, was passed and the title agreed to.

Senator Gardner moved that the vote by which **HR 6,** as amended, was passed be reconsidered and said motion be laid on the table. Agreed.

SB 22 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner offered Amendment #1 to **SB 22** and moved its adoption. Agreed.

Said Amendment #1 to **SB 22** is as follows:

Amend printed copy of Senate Bill No. 22 on page 1, line 4, by: adding the following new sections:

Section 2, KRS 385.010 is amended to read:

As used in this chapter, unless the context otherwise requires:

(1) "Adult" is a person who has attained the age of *eighteen* [twenty-one] years;

(2) "Bank" includes every corporation authorized by law to do a banking business;

(3) "Broker" is a person lawfully engaged in the business of effecting transactions in securities for the account of others. The term includes a bank which effects such transactions. The term also includes a person lawfully engaged in buying and selling securities for his own account, through a broker or otherwise, as a part of a regular business;

(4) "Court" means the chancery division of the circuit court;

(5) "The custodial property" includes:

(a) All securities and money and life insurance under the supervision of the same custodian for the same minor as a consequence of a gift or gifts made to the minor in a manner prescribed in this chapter;

(b) The income from the custodial property; and

(c) The proceeds, immediate and remote, from the sale, exchange, conversion, investment, reinvestment or other disposition of such securities, money and income;

(6) "Custodian" is a person so designated in a manner prescribed in this chapter;

(7) "Guardian" of a minor includes the general guardian, guardian, tutor or curator of his property, estate or person;

(8) "Issuer" is a person who places or authorizes the placing of his name on a security, other than as a transfer agent, to evidence that it represents a share, participation or other interest in his property or in an enteprise or to evidence his duty or undertaking to perform an obligation evidenced by the security, or who becomes responsible for or in place of any such person;

(9) "Legal representative" of a person is his executor or the administrator, general guardian, guardian, committee, conservator, tutor or curator of his property or estate;

(10) "Life insuance" shall be deemed to include only insurance on the life of a minor or a member of the minor's family as herein defined;

(11) "Member" of a "minor's family" means any of the minor's parents, grandparents, brothers, sisters, uncles and aunts, whether of the whole blood or the half blood, or by or through legal adoption;

(12) "Minor" is a person who has not attained the age of *eighteen* [twenty-one] years;

(13) "Security" includes any note, stock, treasury stock, bond, debenture, evidence of indebtedness, certificate of interest or participation in an oil, gas or mining title or lease or in payments out of production under such a title or lease, collateral trust certificate, transferable share, voting trust certificate, or, in general, any interest or instrument commonly known as a security, or any certificate of interest or participation in any temporary or interim certificate, receipt or certificate of deposit for, or any warrant or right to subscribe to or purchase, any of the foregoing. The term does not include a security of which the donor is the issuer. A security is in "registered form" when it specifies a person entitled to it or to the rights it evidences and its transfer may be registered upon books maintained for that purpose by or on behalf of the issuer;

(14) "Transfer agent" is a person who acts as authenticating trustee, transfer agent, registrar or other agent for an issuer in the registration of transfers of its securities or in the issue of new securities or in the cancellation of surrendered securities; and

(15) "Trust company" includes every corporation authorized to do a trust business.

Section 3. KRS 389.010(1) is amended to read:

(1) The real property or any right, title or interest in real property of a person under the age of *eighteen* [twenty-one] years, or of a person of unsound mind, whether such person be a resident or a non-resident of this state, may be sold under or by decree of a court of equity of the county in which the property or any part thereof is situated for any purpose deemed by the chancellor to be necessary or proper or beneficial to such person under disability.

Section 4. KRS 394.020 is amended to read:

Any person of sound mind and *eighteen* [twenty-one] years of age or over may by will dispose of any estate, right, or interest in real or personal estate that he may be entitled to at his death, which would otherwise descend to his heirs or pass to his personal representatives, even though he becomes so entitled after the execution of his will.

Section 5. KRS 394.030 is amended to read:

No person under *eighteen* [twenty-one] years of age can make any will, except in pursuance of a power specially given to that effect, and except also, that a father, though under *eighteen* [twenty-one] years of age, may by will appoint a guardian for his child.

Section 6. KRS 405.390 is amended to read:

An adult person over *eighteen* [twenty-one]years of age may be adopted in the same manner as provided by law for the adoption of a child and with the same legal effect, except that his consent alone to such adoption shall be required.

Senator Gardner moved the Previous Question on **SB 22**, as amended. Agreed.

On the roll call the vote was yeas 29—Billington, Blue, Bonn, Brand, Brizendine, Buckman, Cobb, Derickson, Duffy, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, D. Johnson, F. Johnson, Kinkead, Kiser, Layne, Mann, McCann, Mobley, Newberry, Palmer, Spence, Swope, Turner, Ware. Nays 0.

SB 22, as amended was passed and the title agreed to.

Senator Gardner moved that the vote by which **SB 22**, as amended, was passed be reconsidered and that said motion be laid on the table. Agreed.

Senator Miller moved that the Rules be suspended for the purpose of making a motion. Agreed.

Motion

Senator Miller moved that a copy of the Kentucky Revised Statutes be furnished to each row of Senate seats. Agreed.

The President ruled that ten copies would be required.

Senator McGinty arose to a point of information and asked to see a list of all Senate employees, the same to be entered in the record.

The Chair ruled that his request would be granted.

Said list is as follows:

NAME	POSITION
John W. Willis	Chief Clerk
Mary Purdy	Assistant Clerk
Jack Bunnell	Sgt.-at-Arms
Elesteen Hager	Enrolling Clerk
Walter E. Armour	Chief Door Keeper
Jack McPherron	Chief Cloak Room Keeper
Billy Clay Doane	Page
Emmy Downes	Page
Orville Reed Rhorer	Page
Luther F. Morgan	Janitor
Stella Mae Petrie	Assistant Clerk
Bettye Ashcraft	Journal Clerk
Jim Brown	Payroll Clerk
Lois Boden	Assit. Payroll Clerk
Lucille Chenault	Assit. Payroll Clerk
Rose Tomlinson	Assit. Payroll Clerk
Lydia Bond	Reading Clerk
Nora Belle Hall	Assit. Reading Clerk
Louise Hanrahan	Asst. Enrolling Clerk
Imogene Humphreys	Mail Clerk
Mrs. Jerry Spears	Asst. Mail Clerk
Jane Lutes	Bill Book Clerk
Evelyn Bickers	Asst. Bill Room Clerk
James P. Blair	Asst. Sgt.-at-Arms
Roscoe I. Downs	Asst. Sgt.-at-Arms
Gary Gardner	First Asst. Sgt.-at-Arms
Harry Crawford	First Asst. Sgt.-at-Arms
Joe Vaughn	First Asst. Sgt.-at-Arms
Jerry Barber	Senate Guide
Bill Lyons	Senate Guide
Eloise Kelsey	Loudspeaker Operator
Carolyn Draper	Asst. Loudspeaker Operator
Lucille Estridge	Asst. Loudspeaker Operator
Pete Theophanis	Asst. Cloak Room Keeper
Ralph Mauer	Asst. Cloak Room Keeper

NAME	POSITION
Madison Bach	Asst. Cloak Room Keeper
Larry Dunhoft	Asst. Cloak Room Keeper
Emmett Holbrook	Messenger
T. Fowler Combs	First Asst. Door Keeper
Harvey Prewitt	Asst. Door Keeper
I. V. Brock	Asst. Door Keeper
O. L. Chumbler	Asst. Door Keeper
Irvine T. Jeffries	Asst. Door Keeper
Paul Gregory	Asst. Door Keeper
Mary Mac Lancaster	Stenographer
Shirley Ann Brooks	Stenographer
Ann Pewitt	Stenographer
Lu Sebree	Stenographer
Mary Jane Jeffers	Stenographer
Mildred Browning	Stenographer
Betty Phelps	Typist
Brad Atherton	Page
Elizabeth Gilbert	Page
James Beam Liebman	Page
Emerson Parker	Page
Linda Billington	Page
Mrs. Robert Kinker	Proofreader
Louise Sheets	Proofreader
Marjorie Sanders	Senate Pass Clerk
Clarence Sparrow	Assistant Janitor
Henry A. Ochs	Committee Aide
Jim Mulligan	Committee Aide
Jack Richardson	Committee Aide
Buddy Richardson	Balcony Aide
W. R. Shoulders	Balcony Aide
James Dolan	Committee Room Doorkeeper
William J. Sample	Committee Room Doorkeeper
Bailey Smith	Committee Room Doorkeeper
Tom Porter	Bill Room Aide
Mike Lyons	Balcony Aide
Lois Baker	Mail Clerk
Condore Hippe	Page
George Gilbert, Jr.	Page
Patty Norris	Page
Julia True	Page

Senator Gardner moved that the Senate adjourn until 10:00 A.M., Wednesday, January 29. Agreed.

WEDNESDAY, JANUARY 29, 1964

NINETEENTH LEGISLATIVE DAY

The Senate was called to order by the President.

Prayer by the Reverend J. Carter Roberts of the Church of the Nazarene of Frankfort.

The roll was called. All present except Senators Duncan, Howard, Kelly and Nichols, who were granted leave of absence on motion of Senator Gardner.

Reading of the Journal for January 28 dispensed with and the same approved on motion of Senator Gardner.

Introduction of Bills

SB 60, by Senators Kiser, Buckman, McCann, Palmer, Derickson, Brand, Donald L. Johnson, Fairis Johnson, Engle, Miller, Garrett, Swope and Spence: AN ACT relating to deductions from wages of employees.

SB 61, by Senator Newberry: AN ACT to provide minimum precautions to be taken in manholes for the prevention of accidents; to make provisions for the administration and enforcement thereof by the Commissioner of Labor and to prescribe penalties for violations thereof.

SB 62, by Senators McCann, Donald L. Johnson, Blue, Kiser, Spence and Engle: AN ACT relating to County Police Department.

SB 63, by Senators Palmer and Kiser: AN ACT relating to weights and measures.

SB 64, by Senators Duffy, Layne and McGinty: AN ACT relating to exemption of property from seizure under legal process.

SB 65, by Senator Duffy: AN ACT relating to nursing.

SB 66, by Senators Duffy, Ware and Gardner: AN ACT relating to staff services for the General Assembly.

House Message

Announcing passage of **HB 15, HB 16, HB 44, SR 9, SR 10.**

Report of Committees

Committee on Ways and Means reported **HB 39** with the expression of opinion that same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 39, AN ACT amending KRS 7.170, creating the Constitution Revision Assembly, abolishing the Constitution Revision Committee, and declaring an emergency to exist.

EXPLANATION

The Act proposes to upgrade the constitution study group as follows:

(1) Changes the name of the present Constitution Revision Committee to Constitution Revision Assembly.

(2) Changes the title of persons performing the studies from "members" to "delegates."

(3) Adds to the present thirty-eight delegates all former elected governors as delegates at large if such governors, any or all of them, desire to serve.

(4) Spells out the right of the new Constitution Revision Assembly to conduct hearings, which is probably already allowed under the broad language of the powers set out in the present statute.

(5) Declares an emergency so that the Act will become effective upon its passage and approval by the Governor.

AN ACT amending KRS 7.170, creating the Constitution Revision Assembly, abolishing the Constitution Revision Committee, and declaring an emregency to exist.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 7.170 of the Kentucky Revised Statutes is amended to read as follows:

(1) The word "Assembly" as used in this Act, unless otherwise indicated, refers to the "Constitution Revision Assembly."

(2) [(1)] A Constitution Revision *Assembly* [Committee] is hereby created as an agency of the Legislative Research Commission to carry on a program of study, review, examination, and exposition of the Constitution of Kentucky. The program shall be so designed and carried on as to conduct any and all reasonable and appropriate studies, surveys, analyses, *hearings*, and reports pertaining to or having a bearing thereon; to analyze and appraise such suggestions for amendment or revision as may be made by any person or persons, groups, or organizations pertaining to or in opposition thereto; and to bring to the public attention such proposals for revision or amendment of the Constitution in accordance herewith. The *Assembly* [Committee] shall prepare and propose in detail from time to time such drafts, amendments, or revisions of the Constitution as will promote the

interest and welfare of the Commonwealth, and shall make such drafts public.

(3) [(2)] The *Assembly* [Committee] shall be composed of *all former elected governors of the Commonwealth of Kentucky who desire to serve as delegates at large, and additionally of* thirty-eight *delegates* [members] appointed by majority vote of a committee composed of the Governor, the Lieutenant Governor, the Speaker of the House of Representatives and the Chief Justice of the Court of Appeals. One *delegate* [member] shall be appointed from each of the senatorial districts as set forth in KRS 6.010. The terms of the *delegates* [members] initially appointed shall extend through June 30, *1966* [1964], and their successors shall be appointed for two-year terms. All *delegates* [members] shall be eligible for reappointment and shall serve until their successors have been appointed and qualified. Any vacancies shall be filled for the remainder of the unexpired term from the senatorial district in which the vacancy occurred. The *Assembly* [Committee] upon its appointment shall elect from *the delegation* [its membership] a chairman and such other officers as it deems necessary, to serve for such terms and perform such duties as the *Assembly* [Committee] shall prescribe. The [Committe's] initial meeting *of the Assembly* shall be upon call of the Legislative Research Commission, and subsequent meetings shall be upon call of the chairman of the *Assembly* [Committee].

(4) [(3)] The *delegates* [members] of the Assembly [Committee] shall serve without compensation but shall be reimbursed for their necessary and actual expenses in attending meetings of the *Assembly* [Committee] and otherwise in the performance of their duties from funds appropriated to the Legislative Research Commission for the purposes of KRS 7.170 or otherwise made available for *Assembly* [Committee] use.

(5) [(4)] The Legislative Research Commission, from funds appropriated to it for the purposes of KRS 7.170, shall conduct such research studies as the *Assembly* [Committee] may request. The *Assembly* [Committee] with the approval of the Legislative Research Commission may employ and may remove such personnel as may be reasonably necessary to carry out the work of the *Assembly* [Committee]. Expenditures under KRS 7.170 shall be paid upon vouchers approved by the Director of the Legislative Research Commission from appropriations made to the Legislative Research Commission for the purposes of KRS 7.170.

(6) [(5)] The *Constitution Revision Assembly* [Committee] shall report to the Governor *and to the General Assembly from time to time* and *especially to* the General Assembly biennially, on or before December 31 preceding each regular session of the General Assembly on the result of its studies ann deliberations.

(7) [(6)] *Upon the effective date of this Act the Constitution Revision Committee shall be abolished, and its files, papers, and assets shall be transferred to the Constitution Revision Assembly.*

Section 2. *Whereas, continuing constitutional study and revision is needed to meet the requirements of government in an ever-changing and complex society, and whereas, strict time schedules for amendment and revision are set out in the Constitution of Kentucky, an emergency is declared to exist, and this Act shall become effective upon its passage and approval by the Governor.*

Committee on Administrative Agencies reported **SB 1, SB 13** with the expression of opinion that same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 1, AN ACT relating to motor vehicle safety equipment.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. No person shall sell, lease, trade or transfer any new passenger vehicle in this state, nor shall any person make application for registering a new passenger vehicle in this state unless the front or forward seat or seats of the vehicle are equipped with safety belts.

Section 2. Any person who violates any provision of Section 1 of this Act shall be fined not less than twenty nor more than two hundred dollars, or imprisoned for not more than thirty days, or both.

SB 13, AN ACT relating to traffic regulations.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 189.390 is amended to read:

(1) No operator of a vehicle upon a highway shall drive at a greater speed than is reasonable and prudent, having regard for the traffic and for the condition and use of the highway.

(2) Where no condition exists that requires lower speed for compliance with subsection (1) of this section, the speed of any vehicle not in excess of the limits specified in this section or established as hereinafter authorized shall be lawful, but any speed in excess of the limits specified in this section or established as hereinafter authorized shall be unlawful.

(a) For all vehicles other than motor trucks, semitrailer trucks, or motor vehicles of five horsepower or less, thirty-five miles per hour in any business or residential district, sixty miles per hour in other locations during the daytime and fifty miles per hour in other locations during the nighttime;

(b) For motor trucks and semitrailer trucks, thirty-five miles per hour in any business or residential district, fifty miles per hour in other locations during the daytime, and forty miles per hour in other locations during the nighttime;

(c) For motor vehicle of five horsepower or less, thirty-five miles per hour in any location.

(3) Whenever the Commissioner of Highways shall determine upon the basis of an engineering and traffic investigation that any speed limit hereinbefore set forth in greater or less than is reasonable or safe under the conditions found to exist at any intersection or upon any part of a state highway within or without the corporate limits of a municipality, said Commissioner of Highways may determine and establish by official order a reasonable and safe speed limit at such location which shall be effective at all times or during hours of daytime or nighttime, or at such ohter times as may be determined when appropriate signs giving notice thereof are erected at such intersection or part of the state highway. In no event, however, shall said commissioner increase any speed limit established by subsection (2) of this section so as to permit in any instance a speed limit in excess of sixty miles per hour.

(4) (a) Whenever municipal authorities or the county court of any county containing a city of the first class *or second class* determine upon the basis of an engineering and traffic investigation that the speed permitted under subsection (2) of this section is greater or less than is reasonable or safe under the conditions found to exist at any location within the municipality or unincorporated areas of such county, such municipal authority or county court, subject to paragraph (b) of this subsection, shall determine and authorize by ordinance or order a reasonable and safe speed limit at such location which shall be effective at all times or during hours of daytime or nighttime, or at such other times as may be determined when appropriate signs giving notice thereof are appropriately erected at such location. In no event, however, shall said municipal authority or county court increase any speed limit established by subsection (2) of this section so as to permit in any instance a speed limit in excess of sixty miles per hour.

(b) Alteration of speed limits on state highways within a municipality by municipal authorities or within the unincorporated areas of counties containing a city of th first class *or second class* by county courts thereof shall not be effective until such alteration has been approved by the Commissioner of Highways. In no event shall said commissioner approve any alteration which would increase any speed limit established by subsection (2) of this section so as to permit in any instance a speed limit in excess of sixty miles per hour.

(c) Whenever the county court of any county containing a city of the first class *or second class* determines upon the basis of an engineering and traffic investigation and study that it is unsafe to park motor vehicles on or along any highway, other than a state highway, within the unincorporated areas of the county, or that in any business disrtict the congestion of traffic justifies a reasonable limitation on the length of time any one motor vehicle is permitted to park in such district so as to reduce such congestion, then the county court may by order establish "no parking" areas on and along said highway, or limit the length of time any motor vehicle may be parked in any business district, which order or orders shall be effective at all times and during hours of daytime or nighttime and at such other times as may be determined when appropriate signs giving notice thereof are erected at such location.

(5) No person shall drive a motor vehicle at such a slow speed as to impede or block the normal and reasonable movement of traffic except when reduced speed is necessary for safe operation or in compliance with law.

(6) The speed limitations set forth in this section shall not apply to an authorized emergency vehicle when responding to an emergency call, or when responding to but not upon returning from a fire alarm, and the driver thereof sounds audible signal by bell, siren, or exhaust whistle, and when such emergency vehicle is equipped with at least one lighted lamp exhibiting red lights visible under normal atmospheric conditions from a distance of five hundred feet to the front of such vehicle. This provision shall not relieve the driver of an authorized emregency vehicle from the duty to drive with due regard for the safety of all persons using the street, nor shall it protect the driver of any such vehicle from the consequences of a reckless disregard of the safety of others.

(7) In every charge for a violation of any speed limit specified in this section or established as herein authorized, the warrant or citation shall specify the speed at which the defendant is alleged to have driven, also the lawful speed limit applicable at the location where the violation is charged to have occurred.

(8) As used in this section, the following words and phrases shall have the meanings respectively ascribed to them:

(a) "Business district," the territory contiguous to and including a highway when within any six hundred feet along such highway there are buildings in use for business or industrial purposes which occupy three hundred feet of fontage on one side or three hundred feet collectively on both sides of the highway;

(b) "Residential district," the territory contiguous to and including a highway not comprising a business district when the property on such highway for a distance of three hundred feet or more is in the main improved with residences or residences and buildings in use for business;

(c) "State highway,' a highway or street maintained by the Department of Highways;

(d) "Nighttime," the period from one-half hour after sunset until one-half hour before sunrise, and at such other periods as atmospheric conditions render visibility as low as or lower than is ordinarily the case during that period; daytime means at any other period.

(9) The signs and notices which the county judge is authorized hereby to have erected shall be paid for by the fiscal court out of the county levy.

Committee on Public Utilities reported **SB 18, SB 19** with the expression of opinion that same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 18, AN ACT relating to combined electric and water plant boards.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 96.180 of the Kentucky Revised Statutes is amended to read as follows:

(1) The board may, by proper order, provide a pension plan for its employes. In the event the board elects to provide a pension plan, it shall determine and formulate the form of pension plan to be used; determine and prescribe the eligibility of employe or their dependents to a pension or other benefits; determine and prescribe the monthly allowance or pensoin for employes or their depnedents so determined to be eligible for a pension or benefits under the pension plan, not to exceed, however, a sum equal to one-half of the monthly salary or wages of any employe at the time of his or her retirement [, but which in no event shall be less than twenty dollars per month nor more than eighty-five dollars per month]; appoint a commission, which shall consist of three members possessing the qualifications of a member of the board, for the administration of the pension plan and prescribe the powers and duties of such commission; appoint a trustee of the pension fund, fix the term of his office and the compensation of such trustee, and prescribe the powers and duties of such trustee and do and perform any other or further acts necessary to effectuate such pension plan. When a pension plan shall have been adopted, a commission appointed to administer such plan and a trustee of the pension fund appointed and qualified, the board may annually appropriate and pay out of its operating revenue, as an operating expense, into the sinking fund, a sum sufficient, when determined on a

fair actuarial basis, to maintain the pension plan so adopted, not exceeding, however, a sum equal to one-half of one percent of the fair value of the utility property and assets. The board may assess, and cause to be paid into the pension fund monthly, such amount or percent of the salary of all employes eligible under and electing to accept the pension plan as may be equitably determined on a fair actuarial basis, not to exceed, however, *five* [three] percent of the monthly salary of any employe. The trustee of the pension fund shall give such bond as required by the board, the cost of which shall be payable out of the pension fund. The trustee of the pension fund shall each year file with the board a report showing his actions and his accounts as such trustee.

(2) The board shall have full power to receive any and all funds of property which may be available or become available to the board or the city for use in creation or maintenance of a pension plan for the employes of the board, including but not limiting the power to sign, execute and deliver such receipts, indemnity agreement or other writing which either the board or the city may be required to sign, execute and deliver to obtain any such fund or property for such purpose.

SB 19, AN ACT relating to telephone companies.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 279.340 is amended to read:

The name of a cooperative shall include the words "Telephone," "*Telecommunications*," [and] "Cooperative," *company or corporation* and the abbreviation "Inc.," unless, in an affidavit made by its president or vice-president, and filed with the Secretary of State, or in an affidavit made by a person signing articles or incorporation, consolidation, merger or conversion, which relate to such cooperative, and filed, together with any such articles, with the Secretary of State, it shall appear that the cooperative desires to do business in another state and is or would be precluded therefrom by reason of the inclusion of such words or either thereof in its name. The name of a cooperative shall be distinct from the name of any other cooperative or corporation organized under the laws of, or authorized to do business in this state. This section shall not apply to any corporation which becomes subject to KRS 279.310 to 279.600 by complying with the provisions of KRS 279.470, which does business in this state pursuant to KRS 279.570 and which elects to retain a corporate name which does not comply with this section.

Section 2. KRS 279.380 is amended to read:

(1) The business of a cooperative shall be managed by a board

of not less than five trustees, each of whom shall be a member of the cooperative, or of another cooperative which is a member thereof. The bylaws shall prescribe the number of trustees, their qualifications, other than those prescribed in this section, the manner of holding meetings of the board of trustees and of electing successors to trustees who shall resign, die, or otherwise be incapable of acting. The bylaws may also provide for the removal of trustees from office and for the election of their successors. Trustees shall not receive any salaries for their services as trustees and, except in emergencies, shall not receive any salaries for their services in any other capacity without the approval of the members. The bylaws may, however, prescribe a fixed fee for attendance at each meeting of the board of trustees and may provided for reimbursement of actual expenses of attendance.

(2) The trustees of a cooperative named in any articles of incorporation, consolidation, merger, conversion or combined consolidation and conversion shall hold office until the next annual meeting of the members and until their successors are elected and qualify. At each annual meeting or, in case of failure to hold the annual meeting as specified in the bylaws, at a special meeting called for that purpose, the members shall elect trustees to hold office until the next annual meeting of the members, except as otherwise provided in KRS 279.310 to 279.600. Each trustee shall hold office for the term for which he is elected and until his successor is elected and qualifies.

(3) Instead of electing all the trustees annually, the bylaws may provide that *one third* [half] of them, or a number as near thereto as possible, shall be elected *annually for a term of three years* [to serve until the next annual meeting of the members, and that the remaining trustees shall be elected to serve until the second succeeding annual meeting. Thereafter, as trustees' terms expire, the members shall elect their successors to serve until the second succeeding annual meeting after their election.].

(4) A majority of the board of trustees shall constitute a quorum.

(5) The board of trustees may exercise all of the powers of a cooperative not conferred upon the members by KRS 279.310 to 279.600, or its articles of incorporation or bylaws.

(6) The officers of a corporation shall consist of a president, vice-president, secretary and treasurer, who shall be elected annually by and from the board of trustees. When a person holding any such office ceases to be a trustee he shall cease to hold such office. The office of secretary and of treasurer may be held by the same person. The board of trustees may also elect or appoint such other officers, agents, or employes as it deems necessary or advisable and shall prescribe their powers and duties. Any officer may be removed from

office and his successor elected in the manner prescribed in the by-laws.

Orders of the Day

SB 8 taken from Orders of the Day and ordered read at length for the third time. Senator Duffy moved that **SB 8** retain its place in Orders of the Day. Agreed.

HR 7 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the Previous Question on **HR 7.**

Senators Van Hoose and Layne requested a roll call on Senator Gardner's motion. Agreed.

On the roll call the vote was yeas 21—Billington, Blue, Bonn, Brand, Brizendine, Buckman, Cobb, Derickson, Duffy, Edwards, Engle, Gardner, F. Johnson, Kidwell, Kinkead, Kiser, McCann, Newberry, Palmer, Turner, Ware. Nays 10—Fuqua, Garrett, D. Johnson, Layne, McGinty, Miller, Mobley, Spence, Swope, VanHoose.

The Previous Question on **HR 7** was adopted.

On the roll call the vote was yeas 31—Billington, Blue, Bonn, Brand, Brizendine, Buckman, Cobb, Derickson, Duffy, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, F. Johnson, Kidwell, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Miller, Mobley, Newberry, Palmer, Spense, Turner, Van Hoose, Ware. Nays 1—Swope.

HR 7 was passed and the title agreed to.

Senator Gardner moved that the vote by which **HR 7** was passed be reconsidered and that said motion be laid on the table. Agreed.

Reference of Bills

The Clerk announced that the following bills and resolutions had been referred:

Revenue and Taxation: **HB 2**

Education: **HB 45, SR 12, SB 53**

Suffrage, Elections and Constitutional Amendments: **SR 13, SB 48**

Administrative Agencies: **SB 45, SB 54, SB 58**

Municipalities: **SB 47, SB 55**

Public Utilities: **SB 51**

Ways and Means: **SB 52, SB 56**

Transportation and Highways: **SB 57, SB 59**

Senator Kiser arose to a point of order, stating he misunderstood the announcemetn by the chair when he called for a roll call on **HR 7.** Had he understood, Senator Kiser stated he would have voted "Nay" instead of "Yea."

The chair ruled that the record show Senator Kiser as voting "Nay" on **HR 7.**

Report on Enrolled Bill

Committee on Enrollment reported that **HR 6** had been examined and found correctly enrolled. **HR 6** read at length, compared, and signed in open session by the President. Ordered delivered to the House.

Senator Garrett moved that the Rules be suspended for the purpose of introducing a bill. Agreed.

Introduction of Bill

SB 67, by Senator Garrett: AN ACT relating to Sunday closing.

Senator Gardner moved that the Senate adjourn until 8:00 P.M., Monday, February 3. Agreed.

MONDAY, FEBRUARY 3, 1964

TWENTY-SECOND LEGISLATIVE DAY

The Senate was called to order by the President.

Prayer by the Reverend John Hunt of the South Frankfort Presbyterian Church, Frankfort.

The roll was called. All present.

Reading of the Journal for January 29 dispensed with and the same approved on motion of Senator McCann.

House Message

Announcing passage of **HB 58.**

Motions, Petitions and Communications

The President appointed a Committee consisting of Senators Howard, Billington, Newberry and Gay to escort the newly elected member, Senator Jack Raybourne, Jr., to the bar of the Senate, where he was administered the oath of office by Judge Squire Williams of the Court of Appeals of Kentucky.

The chair ruled that without objection Senator McCann's name would be added as sponsor of **SB 51.**

Report of Enrolled Resolution

Committee on Enrollment reported that **HR 7** had been examined and found correctly enrolled. **HR 7** read at length, compared, and signed in open session by the President. Ordered delivered to the House.

Introduction of Bills and Resolution

SR 15, by Senators VanHoose, Spence and Faris Johnson: A RESOLUTION directing the Legislative Research Commission to study the feasibility of establishing local public utility districts in the Commonwealth.

SB 68, by Senator Buckman: AN ACT relating to eye protective devices in public education.

SB 69, by Senator Brizendine: AN ACT relating to the sale of certain merchandise on Sunday.

SB 70, by Senators Duffy, Bonn, McCann, McGinty, Miller and Layne: AN ACT relating to sewerage and drainage.

SB 71, by Senator McGinty: AN ACT relating to the distribution of the Kentucky Revised Statutes.

SB 72, by Senator McCann: AN ACT relating to schools.

SB 73, by Senator Layne: AN ACT relating to employes.

SB 74, by Senator Gay: AN ACT relating to teachers' retirement systems.

SB 75, by Senator Gay: AN ACT relating to teachers.

SB 76, by Senator Gay: AN ACT relating to education.

SB 77, by Senator Ware: AN ACT relating to the compensation of county commissioners.

The chair ruled that the Senate Clerk be directed to have **SR 14** reprinted.

Calendar

HB 39, SB 1, SB 13, SB 18, SB 19 taken from the Calendar and ordered read at length for the second time. Senator Gardner moved that they be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

Orders of the Day

SB 8 taken from Orders of the Day with Committee Substitute attached thereto, and ordered read at length for the third time. Senator Duffy moved that it be read by title only. Agreed by a majoriy of members elected.

Senator Duffy moved that the Committee Substitute to **SB 8** be adopted. Agreed.

Senator Duffy moved that **SB 8** retain its place in Orders of the Day for further study. Agreed.

The President vacated the chair, President Pro Tempore Ware presiding.

Senator Edwards moved to dispense with the Rules for the purpose of giving Committee Reports.

Report of Committee

Committee on State and County Government reported **SB 16, SB 20, SB 37** with the expression of opinion that same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 16, AN ACT relating to state printing.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 57.060 of the Kentucky Revised Statutes is amended to read as follows:

[(1) The paper, necessary for state printing and binding of the first class, except materials for half binding, shall be furnished and paid for by the state. The Department of Finance shall, upon requisition of the contractor made from time to time, as the work requires, deliver to the contractor suitable paper. The Department of Finance shall take from the contractor and preserve a receipt for all paper so delivered. At the annual settlement on the first Monday in January the contractor shall report to the Department of Finance all paper so furnished that has not been used in the state printing and binding.]

[(2)] Paper and supplies necessary for state printing and binding of the *first* and second class shall be furnished and paid for by the contractor.

[(3) No contractor shall waste or convert to another use any paper furnished to him under subsection (1) of this section.]

SB 20, AN ACT relating to flags for circuit court rooms.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

(1) The fiscal court of every county shall supply each circuit court room in their respective jurisdiction with a flag of the United States and a flag of the Commonwealth of Kentucky.

(2) Each of the flags so supplied shall have a measurement of 4 1/3′ x 5 1/2′, and shall be affixed to a suitable staff and stand.

SB 37, AN ACT relating to water systems.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 96.150 is amended to read:

Any city that owns or operates a water supply system may extend the system into, and furnish and sell water to any person within, any territory contiguous to the city that lies within *fifteen* [ten] miles of the corporate limits, and may install within that territory necessary appartus. For this purpose the city may condemn or otherwise acquire franchises, rights and rights of way, as private corporations may do.

Senator Gardner moved that the Senate adjourn in honor of Senator Ware's birthday until 1:00 P.M., Tuesday, February 4. Agreed.

TUESDAY, FEBRUARY 4, 1964

TWENTY-THIRD LEGISLATIVE DAY

The Senate was called to order by the President.

Prayer by the Reverend John L. Hunt, of the South Frankfort Presbyterian Church, Frankfort.

The roll was called. All present except Senator Spence, who was granted leave of absence on motion of Senator Gardner.

Reading of the Journal for February 3 dispensed with and the same approved on motion of Senator Gardner.

Introduction of Bills

SB 78, by Senator Duffy: AN ACT relating to recorded instruments.

SB 79, by Senator Buckman: AN ACT relating to the adjustment and settlement of claims for property damage and personal injury.

SB 80, by Senator Palmer: AN ACT relating to inspection of tobacco.

SB 81, by Senator Garrett: AN ACT relating to attorneys and the practice of law.

SB 82, by Senator Garrett: AN ACT relating to punishment on second and third conviction of felony.

SB 83, by Senators Layne, Donald Johnson, Fuqua, Gay and Mobley: AN ACT relating to personnel administration for the civil service of the Commonwealth of Kentucky.

SB 84, by Senator Garrett: AN ACT relating to compensation of county court clerks.

SB 85, by Senator Buckman: AN ACT relating to proposed legislation respecting county court commissioners' awards.

SB 86, by Senator McCann: AN ACT relating to firearms.

Report of Committees

Committee on Education reported **SR 12** with the expression of opinion that same should pass. Read at length for the first time and ordered placed in the Calendar.

SR 12, A JOINT RESOLUTION establishing a committee to conduct seminars on the political responsibility of citizens.

WHEREAS, participation in government by its citizens is the lifeblood of any democracy; and

WHEREAS, members of the General Assembly should give freely of their time to encourage political responsibility of the citizens of the Commonwealth;

NOW, THEREFORE,

Be it resolved by the General Assembly of the Commonwealth of Kentucky:

That the Speaker of the House and the President of the Senate appoint a twenty member committee, ten members from each of these bodies equally representing both political parties, to cooperate with the Committee on Citizenship of the Department of Education.

That the members of this committee be available, at the request of any high school principal, to hold a seminar on the political responsibility of citizens.

Committee on Education reported **SB 31**, with Committee Amendment attached thereto, and **HB 10** with the expression of opinion that same should pass. **SB 31** and **HB 10** read at length for the first time and ordered placed in the Calendar.

Committee Amendment to **SB 31** is as follows:

Amend printed copy of Senate Bill 31 on page 1, line 12, by: deleting the word "physician" and inserting in lieu thereof the words "licensed doctor"

SB 31, AN ACT relating to education.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 161.155 is amended to read:

(1) For the purpose of this section, "teacher" shall mean any person for whom certification is required as a basis of employment in the common schools of the state.

(2) Each district board of education shall allow to each teacher in its common school system *a sick leave of up to three days for death or illness in the immediate family in addition to* not less than *twenty* [ten] days' sick leave *on account of personal illness* during each school year, without deduction of salary [, provided he]. *Sick leave for more than three consecutive days shall be allowed only if the teacher* presents a personal affidavit or a certificate of a reputable physician stating that he was ill on the day or days absent *but no such affidavit or certificate is required for sick leave of three consecutive days or less.*

(3) Any days of sick leave not taken during any school year shall accumulate and may be taken in any subsequent school year or years,

except that no teacher shall be entitled to take more than twenty days of accumulated sick leave unless the district board of education, in its discretion, authorizes a greater number of days to be accumulated. Any district board of education may, in its discretion, allow teachers in its common school system sick leave in excess of the number of days prescribed in this section.

HB 10, AN ACT relating to the State Board of Education.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Subsection (2) of Section 156.070 of the Kentucky Revised Statutes is amended to read as follows:

It is hereby authorized to purchase, lease, rent, or erect one or more buildings in the following cities or counties, *or the counties in which the cities are located:* Ashland, Harlan County, Hazard, Jefferson County, Madisonville, Somerset and Warren County, in order to establish and provide for the operation of schools for the purpose of making available facilities for vocational training, according to curricula established and approved by the board, and to be operated in accordance with the State Plan for Vocational Education and policies of the board. The management and operation of these schools, including all duties, powers, rights, purposes, responsibilities, properties and funds, are vested in the board. In addition to such appropriations of state funds as may be made to the board for such schools, the board may receive therefor grants, contributions, matching funds, gifts, devices and bequests from any source, whether federal or state, public or private.

Whereas, an emergency is declared to exist, this Act shall become effective upon its passage and approval by the Governor.

Committee on Education reported **HB 45** with the expression of opinion that same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 45, AN ACT relating to education.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 158.070 is amended to read:

(1) *The minimum school term for the 1963-1964 school term shall be one-hundred and eighty-four days. Thereafter, the* [The] minimum school term shall be one hundred eighty-five days. The Superintendent of Public Instruction, upon the approval of the State Board of Education, may extend the minimum term to ten months

when the resources of the school fund or contributions by local taxation justify the extension, but no extension shall be made if it reduces the salaries of the teachers below the minimum fixed by law. A board of education may extend its terms beyond the minimum term set by the Superintendent of Public Instruction.

(2) The board of education of any school district may use no more than four days of the minimum school term for holidays, three days for in-service training and professional work, and three days for attendance at state and district meetings of professional educational associations. The State Board of Education, upon recommendation of the Superintendent of Public Instruction, shall adopt regulations governing the use of school days.

Section 2. Whereas, due to the assassination of President Kennedy, schools unexpectedly were closed for one day, an emergency is declared to exist, and this Act becomes effective upon its passage and approval by the Governor.

Committee on Administrative Agencies reported **SB 24** with the expression of opinion that same should pass by way of Committee Substitute. Committee Substitute to **SB 24** read at length for the first time and ordered placed in the Calendar.

SB 24, AN ACT relating to arrest.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1 (1) Any officer making an arrest of a motorist shall inform the motorist about to be arrested of the intention to arrest him, and of the offense for which he is being arrested.

(2) Unless the charges, as stated by the arresting officer at the time of the arrest, results in a conviction, any evidence obtained as a result of the arrest shall be inadmissable for any purpose.

Calendar

SB 16, SB 20, SB 37 taken from the Calendar and ordered read at length for the second time. Senator Gardner moved that they be read by title only. Agreed by a majority of members elected. Ordered placed in the Orders of the Day.

Orders of the Day

SB 8 taken from Orders of the Day. Senator Duffy moved that **SB 8** retain its place in Orders of the Day. Agreed.

HB 39 taken from Orders of the Day. Senator Gardner moved that **HB 39** retain its place in Orders of the Day. Agreed.

SB 1 taken from Orders of the Day. Senator Gardner moved that **SB 1** retain its place in Orders of the Day. Agreed.

SB 13 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected. Senator Kinkead offered Amendment No. 1 to **SB 13** and moved its adoption. Agreed.

Said Amendment No. 1 to **SB 13** is as follows:

Amend printed copy of Senate Bill 13, on page 2, line 5 by: Inserting period after word "locations" and delete the following "during the daytime, and forty miles per hour in other locations during nighttime;"

Senator Kinkead offered Amendment No. 2 to **SB 13** and moved its adoption. Agreed.

Said Amendment No. 2 to **SB 13** is as follows:

Amend printed copy of Senate Bill 13, on page 2, line 11, by: Changing the word "in" to "is."

Senator Kinkead offered Amendment No. 3 to **SB 13** and moved its adoption. Agreed.

Said Amendment No. to **SB 13** is as follows:

Amend printed copy of Senate Bill 13 on page 5, line 26, by: Adding the following:

Section 2. Section 189.395 of the Kentucky Revised Statutes is repealed.

Senator Kinkead offered Amendment No. 4 to **SB 13** and moved its adoption. Agreed.

Said Amendment No. 4 to **SB 13** is as follows:

Amend printed copy of Senate Bill 13 on page 4, by:

Adding a new paragraph (d) to subsection (4) of KRS 189.390 following paragraph (c) thereof which ends o npage 4, line 8, to read as follows:

(d) Notwithstanding the other limitations in this subsection, the Commissioner of Highways may establish, by official order, reasonable and safe speed limits on turnpikes and limited access state highways not to exceed seventy miles per hour.

Senator Kinkead moved the the Previous Question on **SB 13**, as amended. Agreed.

On the roll call the vote was yeas 36—Billington, Blue, Bonn, Brand, Brizendine, Buckman, Cobb, Derickson, Ruffy, Duncan, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, Howard, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Swope, Turner, Van Hoose, Ware. Nays 0.

SB 13, as amended, was passed and the title agreed to.

Senator Kinkead moved that the vote by which **SB 13** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 18, taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Edwards moved the Previous Question on **SB 18.** Agreed.

On the roll call the vote was yeas 36—Billington, Blue, Bonn, Brand, Brizendine, Buckman, Cobb, Derickson, Duffy, Duncan, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, Howard, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Swope, Turner, Van Hoose, Ware. Nays 0.

SB 18 was passed and the title agreed to.

Senator Edwards moved that the vote by which **SB 18** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 19 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the Previous Question on SB 19. Agreed.

On the roll call the vote was yeas 36—Billington, Blue, Bonn, Brand, Brizendine, Buckman, Cobb, Derickson, Duffy, Duncan, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, Howard, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Swope, Turner, Van Hoose, Ware. Nays 0.

SB 19 was passed and the title agreed to.

Senator Gardner moved that the vote by which **SB 19** was passed be reconsidered and that said motion be laid on the table. Agreed.

Announcement

Senator Bonn announced a meeting of the Committee on Transportation and Highways at 12:30 P.M., Wednesday, February 5, in Room 320.

HB 39 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner offered Amendment No. 1 to **HB 39** and moved its adoption. Agreed.

Said Amendment No. 1 to **HB 39** is as follows:

Amend printed copy of House Bill 39 on page 3, line 2, by:

deleting the words "thirty-eight" and inserting therefor the words *forty-three.*

and on page 3, line 7, by:

adding after the words "KRS 6.010" the words, *and five delegates shall be appointed from the State at large.*

Senator Gardner moved the Previous Question on **HB 39,** as amended.

Senators VanHoose and Layne requested a Roll call on the Previous Question motion.

On the roll call the vote was yeas 24—Billington, Blue, Bonn, Brand, Brizendine, Buckman, Cobb, Derickson, Duffy, Edwards, Engle, Gardner, Garrett, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Newberry, Nichols, Palmer, Raybourne, Turner, Ware. Nays 11—Fuqua, Gay, Howard, D. Johnson, Layne, Mann, McGinty, Miller, Mobley, Swope, Van Hoose.

The motion to adopt the Previous Question on **HB 39** was adopted.

On the roll call the vote was yeas 29—Billington, Blue, Bonn, Brand, Brizendine, Buckman, Cobb, Derickson, Duffy, Edwards, Engle, Gardner, Garrett, Gay, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, McGinty, Miller, Newberry, Nichols, Palmer, Raybourne, Turner, Ware. Nays 7—Duncan, Fuqua, Howard, Mann, Mobley, Swope, Van Hoose.

HB 39, as amended, was passed and the title agreed to.

Senator Gardner moved that the vote by which **HB 39,** as amended, was passed be reconsidered and that said motion be laid on the table. Agreed.

Reference of Bills

The Clerk announced that the following bills had been referred:

Clerk's Desk—**SB 46**

Labor and Industry: **SB 49, SB 61, SB 73**

Legislative and Executive Affairs: **SB 50, SB 71**

Ways and Means: **SB 60, SB 66**

State and County Governments: **SB 62, SB 77**

Agriculture: **SB 63**

Judiciary: **SB 64**

Health and Welfare: **SB 65**

Municipalities: **SB 67, SB 69, HB 15, HB 44**

Administrative Agencies: **SB 68**

Public Utilities: **SB 70**

Education: **SB 72, SB 74, SB 75, SB 76, HB 16, HB 58**

Senator Gardner moved that the Senate adjourn until 1:00 P.M., Wednesday, February 5. Agreed.

WEDNESDAY, FEBRUARY 5, 1964

TWENTY-FOURTH LEGISLATIVE DAY

The Senate was called to order by the President.

Prayer by the Reverend John L. Hunt of the South Frankfort Presbyterian Church, Frankfort.

The roll was called. All present except Senator Kiser, who was granted leave of absence on motion of Senator Gardner.

Reading of the Journal for February 4 dispensed with and the same aproved on motion of Senator Gardner.

House Message

Announcing passage of **HB 1, HB 20.**

Introduction of Bills

SB 87, by Senator Buckman: AN ACT relating to compensation of circuit court clerks.

SB 88, by Senator McCann: AN ACT relating to discrimination in employment.

SB 89, by Senator Gardner: AN ACT relating to unemployment insurance.

SB 90, by Senator Mobley: AN ACT relating to motor vehicles.

SB 91, by Senator Mobley: AN ACT relating to the enforcement of motor vehicle traffic laws.

SB 92, by Senator Garrett: AN ACT relating to the rights of an arrested person.

Report of Committees

Committee on Public Utilities reported **SB 51** with the expression of opinion that same should pass. Read at length for the first time and ordered placed in he Calendar.

SB 51, AN ACT relating to boards of waterworks of first class cities.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 96.240 is amended to read:

The mayor shall appoint, subject to the approval of the city legislative body, four persons *no more than two of whom shall be members of the same political party,* who with the mayor as an ex officio member shall constitute a body corporate known as the "Board of Waterworks [,]" *; and if the board of waterworks operates mains and lines and serves in excess of 50,000 customers outside the corporate limits of a city of the first class but in the county in which the city is located, the county judge shall appoint two persons, who shall be of different political parties, to serve on and be members of the board of waterworks.* Each appointee shall be [a city resident] at least thirty years of age [,] *and shall be a resident of the city, if appointed by the mayor, or of the county, if appointed by the county judge,* and be the owner in his own right of real estate situated in the city *if appointed by the mayor, or in the county if appointed by the county judge. At least one such appointee shall be qualified, as specified in KRS 96.250, to serve as president of the board.* No officer or employe of the city, whether holding a paid or unpaid office, shall be eligible for appointment to the board. Of the persons first appointed one shall be appointed for a term of one year, one for a term of two years, one for a term of three years, and one for a term of four years *and such terms shall expire on the date of the annual meeting of the board of waterworks.* Their successors shall be appointed in the same manner, but for terms of four years each. *At such time as the board of waterworks serves on a retail basis in excess of 50,000 customers outside the corporate limits of a city of the first class, the president of the board shall notify the county judge who shall immediately appoint two members as hereinabove provided, one for a term of two years and one for a term of four years; and their successors shall be appointed by the county judge for terms of five years each.* Appointees shall be eligible to succeed themselves. All vacancies shall be filled for the unexpired term by appointment in the same manner. Each member shall hold his office until his successor has been appointed and qualified. The oath of office of each member shall be filed with the board of sinking fund commissioners.

Committee on Ways and Means reported **SB 38** with the expression of opinion that same should not pass.

Committee on Ways and Means reported **SB 52**, **SB 56** with the expression of opinion that same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 52, AN ACT relating to renumbering of senatorial districts.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. The third senatorial district which embraces Pike County is renumbered the thirty-first senatorial district.

Section 2. The thirty-first senatorial district which embraces Calloway, Trigg and Christian counties, is renumbered the third senatorial district.

SB 56, AN ACT relating to the Attorney General.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. County and Commonwealth attorneys may request in writing the assistance of the attorney general in the conduct of any criminal investigation or proceeding. The attorney general may take such action as he deems appropriate and practicable under the circumstances in the rendering of such assistance.

Section 2. Whenever requested in writing by the Governor, or by any of the courts or grand juries of the Commonwealth, or upon receiving a communication from a sheriff, mayor, or majority of a city legislative body stating that his participation in a given case is desirable, or when deemed necessary by the attorney general to effect the administration of justice and the proper enforcement of the laws of the Commonwealth, he may intervene, participate in, or direct any investigation or criminal action, or portions thereof, within the confines of the Commonwealth of Kentucky necessary to enforce the laws of the Commonwealth. He shall have the power to subpoena witnesses, secure testimony under oath for use in civil or criminal trials, investigations or hearings affecting the Commonwealth, its departments or political subdivisions.

Section 3. Whenever the attorney general shall undertake any of the actions prescribed herein, he shall be authorized to exercise all powers and perform all duties in respect to such criminal actions or proceedings which the prosecuting attorney would otherwise perform or exercise, including, but not limited to the authority to sign, file and present any and all complaints, affidavits, information, presentments, accusations, indictments, subpoenas, and processes of any kind, and to appear before all magistrates, grand juries, courts or tribunals.

Section 4. Except as provided in this Act, the powers and duties conferred upon or required of the attorney general by this section shall not be construed to deprive prosecuting attorneys of any of their authority in respect to criminal prosecutions, or relieve them from any of their duties to enforce the criminal laws of the Commonwealth.

Section 5. In the cases where the attorney general intervenes on his own initiative or at the request of a local official, grand jury or court, the cost incidental to such intervention shall be borne by the county, district, or taxing district where the cause of action accrues or is pending. All other costs shall be borne by the Department of Law appropriations.

Committee on Ways and Means reported **SB 23** with the expression of opinion that same should pass by way of Committee Substitue.

Committee Substitute for **SB 23** read at length for the first time and ordered placed in the Calendar.

SB 23, AN ACT relating to Legislative fiscal analysis.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. The Senate and the House of Representatives each shall submit to the Legislative Research Commission a list of four members of the majority party and two members of the minority party from the respective houses of the General Assembly, nominated by party caucuses in the respective houses. From this list the commission shall appoint two members of the majority party and one member of the minority party from each house, to constitute an Advisory Committee on Fiscal Affairs. The Advisory Committee shall be a subcommittee of the commission. The term of all members shall be two years from March 1 of each year in which the General Assembly meets in regular session and until their successors are appointed and have qualified. If a member of said committee ceases to be a member of the General Assembly, his appointment shall be vacated and the commission shall appoint a successor from the same house and party as that member to serve the remaining portion of his term. Members shall receive as compensation twenty-five dollars per day spent in the performance of their duties and shall be reimbursed for reasonable and necessary expenses in connection with such duties.

Section 2. The execution of the functions provided for in this Act shall be carried out by the staff of the Legislative Research Commission under the immediate and direct supervision of an employe to be designated Legislative Fiscal Analyst, who shall be appointed by the director of the commission. Appointment shall be with the advice and consent of the committee.

Section 3. The committee, with the approval of the commission, shall authorize and review records and studies, and report to the commission and the General Assembly on fiscal affairs of the Commonwealth, including but not limited to continuing analysis of revenues and expenditures and review of proposed legislation involving revenue and expenditures. Operations of the advisory committee and the legislative fiscal analyst, under this Act, shall be governed by the provision of KRS 7.090, 7.100, and 7.110.

Committee on Transportation and Highways reported **SB 57**, **SB 59** with the expression of opinion that same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 57, AN ACT relating to construction work which may be done by the Department of Highways:

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) The Department of Highways may cause any road construction or reconstruction to be done by employees of the department instead of through contractors when, in the opinion of the commissiner as expressed in an official order, any of the following conditions is found to exist:

(a) Emergency construction or reconstruction is made necessary by the fact that a road has been rendered unusable or the urgency of need for construction or reconstruction is apparent.

(b) Construction or reconstruction of access roads would serve as an inducement to industrial location or substantial expansion of industry, and the estimated cost of the project is less than twenty-five thousand dollars.

(c) The project involves: an existing road and provides for such work as improvement of sight distance, traffic marking, channelization or the addition or widening of traffic lanes or widening of shoulders; or construction, reconstruction, widening or strengthening of small bridges and projects for which preparation of detailed plans required to secure bids is unnecessary; or an emergency need does not allow for time for preparation of plans and advertisement for bids.

(d) No satisfactory bid is received for the construction or reconstruction of the road after all necessary steps have been taken to obtain bids for such work, and the estimated cost of the projects is less than twenty-five thousand dollars.

Section 2. Section 176.120 of the Kentucky Revised Statutes is repealed.

SB 59, AN ACT relating to the state primary road system.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 177.010 of the Kentucky Revised Statutes is amended to read as follows:

Definitions. As used in KRS 177.010 to 177.890, unless the context otherwise requires:

(1) "Department" means Department of Highways of the Commonwealth of Kentucky.

(2) "Construct" includes reconstruct and improve; and

(3) "Roads" includes rural roads; highways; bridges and bridge approaches; city streets, viaducts and bridges.

Section 2. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) The State Primary Road System shall consist of such public roads and city streets within the State as the Department of Highways determines shall be established, constructed or maintained by the Department of Highways.

(2) The Department shall, in its discretion, determine which public roads, or city streets, shall be established, constructed or maintained by it, and shall determine the type of construction or maintenance for that road or city street.

(3) In the establishment of the State Primary Road System, the Department of Highways is authorized to select new routes, deviate from an existing route whenever it deems such deviation proper, eliminate from the State Primary System roads or city streets which have been replaced as proper part of the System by the construction of a new facility or the selection of a new route.

(4) The establishment, construction or maintenance of the State Primary Road System shall be under the direction and control of the Department of Highways. The Commissioner of Highways is authorized to adopt regulations necessary to the administration of this authority.

(5) The Department of Highways is authorized to acquire and bear the cost of new additional rights of way needed for the establishment, improvement, construction, reconstruction, maintenance or repair of a public road or a city street which has been designated by the Department of Highways as a part of the State Primary Road System. All cities are authorized to deed any right of way owned by such cities to the Commonwealth of Kentucky if the right of way is to become part of the State Primary Road System.

Section 3. Sections 177.020, 177.041, 177.045, and 177.048 of the Kentucky Revised Statutes are hereby repealed.

Committee on Suffrage, Elections and Constitutional Amendments reported **SB 48** with the expression of opinion that same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 48, AN ACT proposing an amendment to Section 99 of the Constitution of Kentucky relative to sheriffs.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. It is proposed that Section 99 of the Constitution of the Commonwealth of Kentucky be amended insofar as it relates to sheriffs' succession in office and when so amended said section shall read as follows:

There shall be elected in nineteen hundred and sixty-five in each county a Judge of the County Court, a County Court Clerk, a County Attorney, Sheriff, Jailer, Coroner, Surveyor, and Assessor, and in each Justice's District one Justice of the Peace and one Constable, who shall enter upon the discharge of the duties of their offices on the first Monday in January after their election, and every four years thereafter, there shall be an election in each county of the officers mentioned, who shall hold their offices four years (from the first Monday in January after their election), and until the election and qualification of their successors.

Section 2. This amendment shall be submitted to the voters of the Commonwealth for their ratification or rejection at the time and in the manner provided for under Sections 256 and 257 of the Constitution, and under KRS 118.170 and 118.430.

Committee on Judiciary reported **SB 34, SB 27** with the expression of opinion that same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 34, AN ACT to amend KRS 21.130 relating to appeals to the Court of Appeals.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 21.130 is amendde to read:

Upon the affirmance of an appeal, or the dismissal of an appeal after it has been docketed in the Court of Appeals, where the appeal is from a judgment for the payment of money, the collection of which, in whole or in part, has been superseded, as provided in the Rules of Civil Procedure, ten percent damages on the amount superseded *may, at the discretion of the court,* [shall] be awarded against the appellant.

SB 27, AN ACT relating to settlement of estates.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 395.515 is amended to read:

In such an action the petition must state the amount of the debts and the nature and value of the property, real and personal, of the decedent, so far as known to the plaintiff; *if it appears that there is a genuine issue concerning the right of any creditor, beneficiary or heir-*

at-law to receive payment or distribution, or if it appears that there is a genuine issue as to what constitutes a correct and lawful settlement of the estate, or a correct and lawful distribution of the assets, such issues may be adjudicated by the Court; and, if it shall appear that the personal estate is insufficient for the payment of all debts, the court may order the real property descended or devised to the heirs or devisees who may be parties to the action, or so much thereof as shall be necessary, to be sold for the payment of the residue of such debts.

Calendar

SR 12, SB 31, HB 10, HB 45, SB 24 taken from the Calendar and ordered read at length for the sceond time. Senator Gardner moved that they be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

Orders of the Day

SB 8 taken from Orders of the Day and ordered read at length for the third time. Senator Duffy moved that it be read by title only. Agreed by a majority of members elected.

Senator Duffy moved the Previous Question on **SB 8.** Agreed.

On the roll call the vote was yeas 35—Billington, Blue, Bonn, Brand, Brizendine, Cobb, Derickson, Duffy, Duncan, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, Howard, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Layne, Mann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 1—McCann.

SB 8 was passed and the title agreed to.

Senator Duffy moved that the vote by which **SB 8** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 1 taken from Orders of the Day and ordered read at length for the third time. Senator Mann moved that it be read by title only. Agreed by a majority of members elected.

Senator Garrett offered Amendment #1 to **SB 1** and moved its adoption. Agreed.

Said Amendment #1 to **SB 1** is as follows:

Amend printed copy of Senate Bill 1 on page 1, lines 5-6, by: inserting between said lines, the following:

"Section 1a. Neither the fact that any motor vehicle is not equipped with safety belts as required by Section 1, nor that any operator, passenger or other occupant of a motor vehicle fails to fasten or otherwise use a safety belt within a motor vehicle, shall constitute any evidence of negligence or contributory negligence on the part of the owner, operator, passenger or other occupant in any action for damages arising out of the operation of the motor vehicle."

Senator Kinkead offered Amendment #2 to **SB 1** and moved its adoption. Agreed.

Said Amendment #2 to **SB 1** is as follows:

Amend printed copy of Senate Bill 1 on page 1, lines 1, 2 and 4, by:

Line 1—inserting after the word "trade" , "operate" and after the word "transfer", "after July 1, 1964,"

Line 2—inserting after the word "vehicle", "designed to carry nine or fewer passengers,"

Line 4—inserting after the words, "unless the", the word "right" and, after the word "front", the words "and left front" and, deleting after the word "front", the words "or forward seat or".

Senator Howard moved that **SB 1** be known as the Mann-McCann Act. Agreed.

Senator Mann moved the Previous Question on **SB 1**, as amended. Agreed.

On the roll call the vote was yeas 32—Billington, Blue, Bonn, Brand, Brizendine, Buckman, Cobb, Derickson, Duffy, Edwards, Fuqua, Gardner, Garrett, Gay, Howard, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Mann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Turner, Van Hoose, Ware. Nays 3—Duncan, McCann, Swope.

SB 1, as amended, was passed and the title agreed to.

Senator Mann moved that the vote by which **SB 1**, as amended, was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 16 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Duffy moved the Previous Question on **SB 16**. Agreed.

On the roll call the vote was yeas 34—Billington, Blue, Bonn, Brizendine, Buckman, Cobb, Derickson, Duffy, Duncan, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, Howard, F. Johnson, Kelly, Kidwell, Kinkead, Layne, Mann, McCann, McGinty, Miller, Mobley, Newberry, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 1—D. Johnson.

SB 16 was passed and the title agreed to.

Senator Duffy moved that the vote by which **SB 16** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 20 taken from Orders of the Day and ordered read at length for the third time. Senator Layne moved that it be read by title only. Agreed by a majority of members elected.

Senator Layne moved the Previous Question on **SB 20.** Agreed.

On the roll call the vote was yeas 34—Billington, Blue, Bonn, Brizendine, Buckman, Cobb, Derickson, Duffy, Duncan, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, Howard, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Layne, McCann, McGinty, Miller, Mobley, Newberry, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

SB 20 was passed and the title agreed to.

Senator Layne moved that the vote by which **SB 20** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 37 taken from Orders of the Day and ordered read at length for the third time. Senator Miller moved that it be read by title only. Agreed by a majority of members elected.

Senator Miller moved the Previous Question on **SB 37.** Agreed.

On the roll call the vote was yeas 35—Billington, Blue, Bonn, Brand, Brizendine, Buckman, Cobb, Derickson, Duffy, Duncan, Engle, Fuqua, Gardner, Garrett, Gay, Howard, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Layne, Mann, McCann, McGinty, Miller, Mobley, Newberry, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

SB 37 was passed and the title agreed to.

Senator Miller moved that the vote by which **SB 37** was passed be reconsidered and that said motion be laid on the table. Agreed.

Reference of Bills

The Clerk announced that the following bills had been referred:

Ways and Means: **SB 78, SB 79, SB 83, SB 86**

Agriculture: **SB 80**

Judiciary: **SB 81, SB 82**

State and County Governments: **SB 84, SB 85**

Announcements

The President announced the appointment of Senator Raybourne to the following committees:

State and County Governments

Executive and Legislative Affairs

Administrative Agencies

Suffrage, Elections and Constitutional Amendments

Agriculture and State Fair

Senator Spence announced a meeting of the Health and Welfare Committee at 11:00 A.M., Thursday, February 6 in Room 319.

Senator Gardner moved that the Senate adjourn until 1:00 P.M., Thursday, February 6. Agreed.

THURSDAY, FEBRUARY 6, 1964

TWENTY-FIFTH LEGISLATIVE DAY

The Senate was called to order by the President.

Prayer by the Reverend John L. Hunt of the South Frankfort Presbyterian Church, Frankfort.

The roll was called. All present except Senators Engle and Miller, who were granted leave of absence on motion of Senator Gardner.

Reading of the Journal for February 5 dispensed with and the same approved on motion of Senator Gardner.

Introduction of Bills and Resolution

SR 16, by Senator McCann: A CONCURRENT RESOLUTION commending former Governor Bert Combs upon his receipt of the Joseph P. Kennedy, Jr., Award for work on behalf of the mentally retarded.

WHEREAS, throughout his career and principally as Governor of the Commonwealth the Honorable Bert Combs has distinguished himself by his efforts for the mentally retarded; and

WHEREAS, these efforts by Governor Combs have received national attention, thereby bringing great honor to himself and to Kentucky;

NOW, THEREFORE,

Be it resolved by the Senate of the Commonwealth of Kentucky, the House of Representatives concurring therein:

That the Honorable Bert Combs, former Governor of the Commonwealth of Kentucky, be and hereby is commended and congratulated for receiving the Joseph P. Kennedy, Jr., Award for work on behalf of the mentally retarded.

Senator McCann moved the adoption of **SR 16**. Agreed.

SB 93, by Senators F. Johnson, Ware and Gardner: AN ACT relating to the printing of the Acts and Journals.

SB 94, by Senators Billington and Howard: AN ACT relating to insurance.

SB 95, by Senators Kinkead, Duffy, Ware and Howard: AN ACT relating to automobile liability insurance; uninsured-vehicle coverage and insolvent insurer protection.

SB 96, by Senator Buckman: AN ACT relating to actions against the Commonwealth of Kentucky arising out of its contracts.

SB 97, by Senators Howard and Kinkead: AN ACT relating to political advertising.

SB 98, by Senator Howard: AN ACT relating to Attorney's fees.

SB 99, by Senator Howard: AN ACT relating to the appointment of counsel to represent paupers and the payment of same.

SB 100, by Senators Howard and VanHoose: AN ACT relating to highways.

SB 101, by Senator Mobley: AN ACT relating to insurance.

SB 102, by Senator Mobley: AN ACT relating to circuit courts.

SB 103, by Senator Mobley: AN ACT relating to circuit courts.

SB 104, by Senator Mobley: AN ACT relating to insurance.

Report of Committee

Committee on Way and Means reported **SB 66** with the expression of opinion that same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 66, AN ACT relating to staff services for the General Assembly.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

A new section of the Kentucky Revised Statutes is created to read as follows:

(1) Any per diem appropriation for compensation for personal services rendered to the General Assembly while in session shall be limited to the compensation of 26 persons rendering services to the Senate and 32 persons rendering services to the House of Representatives while in regular or special session.

(2) The above limitation does not apply to those constitutional officers and employes of the Senate or House of Representatives.

(3) The persons employed to fill the job positions set forth in (1) shall be considered employes of the Legislative Research Commission and shall be appointed pursuant to the provisions of KRS 7.090. While the General Assembly is in session these employes shall perform their duties in a manner specified by the respective Rules of the Senate and House of Representatives.

Calendar

SB 51, **SB 52**, **SB 56**, Committee Substitute for **SB 23**, **SB 59**, **SB 48**, **SB 57**, **SB 34**, **SB 27** taken from the Calendar and ordered read at length for the second time. Senator Gardner moved that they be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

House Message

Announcing passage of **HB 82.**

Orders of the Day

SR 12, SB 31 taken from Orders of the Day and ordered read at length for the third time. Senator Layne moved that **SR 12** and **SB 31** retain their places in Orders of the Day. Agreed.

HB 10 taken from Orders of the Day with Committee Amendment attached thereto. Ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majoriy of members elected.

Senator Mobley moved that **HB 10** be recommitted to Committee on Education. Agreed.

Recess

Senator Mobley moved that the Senate recess for a period of ten minutes for the purpose of studying **HB 10** and the Committee Amendment thereto. Agreed.

At the appointed hour the President resumed the chair and called the Senate to order.

Orders of the Day

Senator Turner moved that Committee Amendment #1 to **HB 10** be withdrawn. Agreed.

Senator Turner offered Committee Amendment #2 to **HB 10** and moved its adoption. Agreed.

Said Committee Amendment #2 to **HB 10** is as follows:

Amend printed copy of House Bill 10 on pages 1 and 2, by:

Striking out and omitting all of lines 1 through 13 on page 1 and lines 1 through 5 on page 2 and inserting therefor the following:

Subsection (2) of Section 156.070 of the Kentucky Revised Statutes is hereby repealed.

Senator Gardner moved the Previous Question on **HB 10**, as amended. Agreed.

On the roll call the vote was yeas 34—Billington, Blue, Bonn, Brand, Brizendine, Buckman, Cobb, Derickson, Duffy, Duncan, Edwards, Fuqua, Gardner, Garrett, Gay, Howard, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Mann, McGinty, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

HB 10, as amended, was passed and the title agreed to.

Senator Gardner moved that the vote by which **HB 10**, as amended, was passed be reconsidered and that said motion be laid on the table. Agreed.

HB 45 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the Previous Question on **HB 45.** Agreed.

On the roll call the vote was yeas 35—Billington, Blue, Bonn, Brand, Brizendine, Buckman, Cobb, Derickson, Duffy, Edwards, Fuqua, Gardner, Garrett, Gay, Howard, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

HB 45 was passed and the title agreed to.

Senator Gardner moved that the vote by which **HB 45** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 24, with Committee Substitute attached thereto, taken from Orders of the Day and ordered read at length for the third time. Senator Duffy moved that it be read by title only. Agreed by a majority of members elected.

Senator Duffy moved the adoption of Committee Substitute to **SB 24.** Agreed.

The President vacated the chair, President Pro Tempore presiding.

Senator Duffy moved the Previous Question on **SB 24.** Agreed.

On the roll call the vote was yeas 27—Blue, Bonn, Brand, Brizendine, Buckman, Cobb, Derickson, Duffy, Fuqua, Gardner, Garrett, Gay, Howard, F. Johnson, Kinkead, Kiser, Mann, McCann, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose. Nays 4—Billington, D. Johnson, Layne, McGinty.

SB 24 was passed and the title agreed to.

Senator Mobley moved that the vote by which **SB 24** was passed be reconsidered and that said motion be laid on the table. Agreed.

Reference of Bills

The Clerk announced that the following bills had been referred:

State and County Governments: **SB 87, HB 20**

Suffrage, Elections and Constitutional Amendments: **SB 88**

Administrative Agencies: **SB 89**

Highways and Transportation: **SB 90, SB 91**

Judiciary: **SB 92**

Ways and Means: **HB 1**

Senator Gardner moved that the Senate adjourn until 10:00 A.M., Friday, February 7. Agreed.

FRIDAY, FEBRUARY 7, 1964

TWENTY-SIXTH LEGISLATIVE DAY

The Senate was called to order by the President.

Prayer by the Reverend John L. Hunt of the South Frankfort Presbyterian Church, Frankfort.

The roll was called. All present except Senator Duncan, who was granted leave of absence on motion of Senator Gardner.

House Message

Announcing passage of **HB 48, HB 56, HB 76, HB 95, HR 19, HR 30.**

Reading of the Journal for February 6 dispensed with and the same approved on motion of Senator Gardner.

Introduction of Bills and Resolutions

SR 17, by Senator Gardner: A RESOLUTION relating to maintenance of order under the rules of the Senate.

WHEREAS, Rules No. 23 and No. 59 in the Senate provide for the maintenance of order in the gallery by the President of the Senate; and

WHEREAS, the Senate daily is visited by great numbers of Kentuckians both young and old who avail themselves rightfully of the use of the gallery; and

WHEREAS, the proper use of the gallery frequently results in interference with the proceedings on the floor because of the acoustics in the Senate chamber and the nature of the flooring in the gallery;

NOW, THEREFORE,

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Division of Services in the Department of Finance is requested to provide carpeting of an inexpensive yet durable nature for the gallery of the Senate.

Section 2. That the Senate Sergeant-at-Arms is directed to cooperate with the Division of Services in the work necessary to effect Section 1.

Senator Gardner moved the adoption of **SR 17.** Agreed.

SR 18, by Senator McCann: A RESOLUTION restricting the amount of contribution by members of the Senate to requests arising within the chamber.

Senator McCann moved the adoption of **SR 18.**

Senators Miller and Nichols requested a roll call on Senator McCann's motion.

On the roll call the vote was yeas 3—Gay, Kiser, McCann. Nays 2—Billington, Mobley.

SR 18 was defeated.

HR 19, A JOINT RESOLUTION urging the General Assembly of the Commonwealth of Kentucky to designate ARBOR DAY for observance by all citizens of the Commonwealth.

WHEREAS, citizens of this State who are interested in its Welfare have requested the designation of an appropriate day as ARBOR DAY for Kentucky; and,

WHEREAS, trees possess economic and aesthetic value and the planting of trees should be encouraged throughout the State; and,

WHEREAS, the month of April is an ideal time for planting of trees in Kentucky;

NOW, THEREFORE,

Be it resolved by the General Assembly of the Commonwealth of Kentucky:

Section 1. That beginning in the year 1964 and each year thereafter the first Friday of April be designated as ARBOR DAY for the planting of forest, shade and ornamental trees throughout the state.

Section 2. That each community be encouraged to observe ARBOR DAY in the manner it deems appropriate.

Section 3. That the Governor of the Commonwealth be requested to issue annually an appropriate proclamation to encourage observance of this day.

Section 4. That a copy of this resolution be forwarded to the Governor.

Senator Gardner moved the adoption of **HR 19.** Agreed.

HR 30, A CONCURRENT RESOLUTION providing for a joint session of the House of Representatives and the Senate.

NOW, THEREFORE,

Be it resolved by the House of Representatives of the Commonwealth of Kentucky, the Senate concurring therein:

Section 1. That the House of Representatives and the Senate do meet in Joint session in the House chambers at 2 p.m. (EST) Monday, February 10, 1964.

Section 2. That the business before the Joint session will be the delivering of the Budget message covering appropriation recommendations for the 1964-66 biennium by Governor Edward T. Breathitt.

Senator Gardner moved the adoption of **HR 30.** Agreed.

SB 105, by Senator Garrett: AN ACT relating to Public Higher Education.

SB 106, by Senator VanHoose: AN ACT relating to Public Assistance.

SB 107, by Senators Layne, Miller and Donald Johnson: AN ACT relating to prosecuting attorneys.

SB 108, by Senators Miller, Duffy, Layne, McGinty, Bonn and McCann: AN ACT relating to license taxes.

SB 109, by Senator Blue: AN ACT relating to sheriffs.

Report on Enrolled Bill

Committee on Enrollment reported that **HB 39** had been examined and found correctly enrolled. **HB 39** read at length, compared and signed in open session by the President. Ordered delivered to the House.

Report of Committee

Committee on Executive and Legislative Affairs reported **SB 71, SB 32** with the expression of opinion that same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 71, AN ACT relating to the distribution of the Kentucky Revised Statutes.

WHEREAS, the business of the individual legislator brings him in constant contact with the Kentucky Revised Statutes; and

WHEREAS, it is necessary that the individual legislator be informed of the present statutes of the Commonwealth of Kentucky in order to determine the necessities of change or addition thereto; and

WHEREAS, at present, the legislators must furnish their own copies of the Kentucky Revised Statutes;

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. (1) Each member of the General Assembly, upon his request, shall be provided with one copy of the Kentucky Revised Statutes which shall become the property of the member for his personal use. All supplements to the Kentucky Revised Statutes so distributed shall be provided so long as the person receiving same remains a member of the General Assembly.

(2) The statutes so distributed shall be paid for out of the General Assembly fund.

SB 32, AN ACT relating to statute revision and related legislative services.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. (1) The Legislative Research Commission shall formulate, supervise and execute plans and methods for the revision, clairification, classification, codification, arrangement, annotating, indexing, printing, binding, publication, copyrighting, sale and distribution of the Kentucky Revised Statutes, including annotations and supplements, and all editions thereof. The commission shall determine when editions shall be published and fix the prices thereof. Such printing shall not be considered printing of the first class within the meaning of the statutes relating to printing of the first class.

(2) The commission shall control and supervise the use of any type acquired by the state in connection with the printing of editions of the statutes, and may permit the use of the type for the printing of pamphlets or particular portions of the statute laws requested by any state department or agency, under the terms and conditions the commission considers reasonable.

Section 2. (1) The complete editions of the Kentucky Revised Statutes shall contain:

(a) The Constitution of the United States;

(b) The Constitution of this Commonwealth;

(c) All statute laws of a general nature which are in force in the Commonwealth of Kentucky at the time of publication;

(d) A full and accurate index of the statute laws and constitution of this Commonwealth; and

(e) Such annotations, historical notes, court rules and other information as the commission deems appropriate to include.

(2) In preparing such editions or any supplements or supplemental pocket parts thereto the commission may omit all laws of a

private, local or temporary nature, including laws for the appropriation of money, laws or parts of laws held unconstitutional by the Court of Appeals, and memorials and joint or concurrent resolutions. The Commission shall omit the titles and enacting clauses of the several acts as well as repealing emergency and severability clauses.

(3) The commission in preparing editions of the statutes or supplements thereto shall not alter the sense, meaning or effect of any act of the General Assembly, but may renumber sections and parts of sections of the acts of the General Assembly, change the wording of headnotes, rearrange sections, change language only for the purpose of eliminating excessive and unnecessary verbiage, change reference numbers to agree with renumbered chapters, sections or parts of sections or to correct erroneous references resulting from amendments or repeals, substitute the proper section or chapter numbers for the terms "this Act," "the preceding section," and the like, strike out figures where they are merely a repetition of written words, change capitalization for the purpose of uniformity, and correct manifest clerical or typographical errors.

(4) The commission may substitute in any such edition the name of any agency, officer or instrumentality of the Commonwealth or of a political subdivision to which powers, duties and responsibilities have been transferred by law, for the name of the agency, officer or instrumentality previously vested with the same powers and charged with the same duties and responsibilities.

(5) If any section or part of a section of the statute edition or of any supplement or pocket part thereto or of any act of the General Assembly is amended by more than one act at the same session of the General Assembly, the commission may incorporate in the statute edition, supplement or pocket part, the section as amended or altered by the several acts, if each of the amendments, changes or alterations can be given effect and incorporated in the section in a manner which will make the section intelligible. If a conflict appears between any section in an act to revise and amend the Kentucky Revised Statutes and the same section in any other act adopted at the same session of the General Assembly the change or alteration effected by the nonrevisory act shall be inserted in the section as incorporated in the statute publication.

Section 3. When any edition of the statutes or supplement thereto is published by the commission, the Reviser of Statutes shall prepare a certificate certifying that each section printed in such edition or supplement has been compared with the original section in the enrolled Kentucky Revised Statutes, or, in the case of sections of Acts enacted after the adoption of Kentucky Revised Statutes, with the original section in the enrolled bill, and that, with the exception of the changes in form permitted by Section 2 of this Act, the sections in the printed editions or supplement are correctly printed. One copy of the edition or supplement, with the original certificate affixed thereto, shall be filed in the office of the Secretary of State. All other copies shall contain a printed copy of the certificate. Any edition or supplement so certified shall constitute prima facie evidence of the law in all courts and proceedings, and any section in such edition or supplement may be amended or repealed by reference to the section number, without reference to the legislative Act from which it was compiled. No compilation of the statute laws of Kentucky not bearing such a certificate shall be admissible as evidence of the law in any court or proceeding.

Section 4. (1) The commission shall prepare and submit to the General Assembly such consolidation, revision and other matters relating to the statutes as can be completed from time to time.

(2) The commission shall keep in its office an accurate and complete record of all legislation enacted by the General Assembly and shall study same for the purpose of determining the intention and the effect thereof. The commission shall prepare and keep accurate and complete annotations of court decisions construing the statutes. The commission shall advise and assist the members of the General Assembly in the preparation and revision of legislation and matters connected therewith. The commission shall, when requested by the General Assembly or either house thereof, report to the requesting body on bills introduced, calling attention to their effect on existing legislation and to any deficiencies in their form.

Section 5. Any supplement or supplemental pocket parts published under this act may be cited as "KRS Supp." or "KRS p.p." respectively.

Section 6. (1) The commission, upon recommendation of the Director and by and with the consent and approval of the Advisory Committee on Statute Revision, shall appoint and fix the compensation of a reviser of statutes to execute the functions of the commission under this act, its bill drafting functions and such other functions and duties as the commission through the Director assigns to him. The reviser of statutes may be removed by the commission at any time upon recommendation of the Director and with the approval of the Advisory Committee on Statute Revision. The reviser of statutes shall be learned in the law and shall be either a member of the Bar of Kentucky or be a person who has had at least two years of responsible experience in statute revision in some other state.

(2) The reviser of statutes shall, with the approval of the Director, employ, supervise and fix the compensation of the professional and clerical assistants necessary to carry out his duties.

(3) The reviser of statutes shall cooperate with and assist the Director of the Legislative Research Commission to the fullest extent practicable in the performance of his duties and on request of the director shall draft bills, provide legal research and other assistance and perform such other duties as do not substantially interfere with the performance of his duties under this act. The director shall furnish the reviser with adequate office space, office furniture and supplies, books and legal publications, duplicating, mailing, telephone and electric service and bookkeeping and other management service. Personnel services may be interchanged on a cooperative basis.

(4) All salaries and expenses of the reviser of statutes and his assistants incurred in the performance of their duties shall be paid from appropriations made for the commission. The commission may from time to time set aside from the amounts so appropriated amounts it deems necessary for the operation of the statute revision office.

Section 7. KRS 7.120 and 7.140 are hereby repealed.

Calendar

SB 66 taken from the Calendar and ordered read at length for the second time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

Orders of the Day

SR 12 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that **SR 12** retain its place in Orders of the Day. Agreed.

SB 31 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that **SB 31** be recommitted to the Committee on Education. Agreed.

SB 51 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Miller moved the Previous Question on **SB 51.** Agreed.

On the roll call the vote was yeas 37—Billington, Blue, Bonn, Brand, Brizendine, Buckman, Cobb, Derickson, Duffy, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, Howard, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

SB 51 was passed and the title agreed to.

Senator Miller moved that the vote by which **SB 51** was passed be reconsidered and that said motion be laid on the table. Agreed.

Senator Swope moved that **SB 51** be known as the 'Big Six" Bill.

Senator Swope withdrew his motion regarding **SB 51.**

SB 52 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the Previous Question on **SB 52.** Agreed.

On the roll call the vote was yeas 35—Billington, Bonn, Brand, Brizendine, Buckman, Cobb, Derickson, Duffy, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, Howard, D. Johnson F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

SB 52 was passed and the title agreed to.

Senator Gardner moved that the vote by which **SB 52** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 56 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Buckman moved the Previous Question on **SB 56.** Agreed.

On the roll call the vote was yeas 31—Billington, Blue, Bonn, Brand, Brizendine, Buckman, Cobb, Derickson, Duffy, Edwards, Fuqua, Gardner, Garrett, Gay, Howard, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McGinty, Mobley, Newberry, Palmer, Raybourne, Spence, Turner, Van Hoose, Ware. Nays 4—Engle, D. Johnson, Miller, Nichols.

SB 56 was passed and the title agreed to.

Senator Gardner moved that the vote by which **SB 56** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 23 with Committee Substitute attached thereto, taken from Orders of the Day and ordered read at length for the third time. Senator Kinkead moved that it be read by title only. Agreed by a majority of members elected.

Senator Kinkead offered Amendment #1 to Committee Substitute for **SB 23,** and moved its adoption. Agreed.

Said Amendment #1 to Committee Substitute for **SB 23** is as follows:

Amend printed copy of Committee Substitute for Senate Bill 23 on page 2, line 12, by: Substituting the words "legislative research commission" for the words "the Committee".

Senator Kinkead moved the adoption of Committee Substitute for **SB 23**, as amended. Agreed.

Senator Kinkead moved the Previous Question on **SB 23**, as amended. Agreed.

On the roll call the vote was yeas 36—Billington, Blue, Bonn, Brand, Brizendine, Buckman, Derickson, Duffy, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, Howard, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

SB 23, as amended, was passed and the title agreed to.

Senator Kinkead moved that the vote by which **SB 23**, as amended, was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 59 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that **SB 59** retain its place in Orders of the Day. Agreed.

SB 48 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Buckman moved the Previous Question on **SB 48**. Agreed.

On the roll call the vote was yeas 28—Blue, Bonn, Brand, Brizendine, Buckman, Cobb, Derickson, Duffy, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, D. Johnson, F. Johnson, Kidwell, Kinkead, Kiser, Layne, Mann, Mobley, Newberry, Nichols, Palmer, Spence, Turner, Ware. Nays 6—Howard, McCann, McGinty, Miller, Swope, Van Hoose.

SB 48 was passed and the title agreed to.

Senator Buckman moved that the vote by which **SB 48** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 57 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Garrett moved the Previous Question on **SB 57**. Senator McCann seconded Senator Garrett's motion.

Senators Howard and McGinty requested a roll call on the Previous Question Motion. Agreed.

On the roll call the vote was yeas 25—Billington, Blue, Bonn, Brizendine, Buckman, Cobb, Derickson, Duffy, Edwards, Engle, Gardner, Garrett, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, McCann, Newberry, Nichols, Palmer, Raybourne, Spence, Turner, Ware. Nays 11—Brand, Fuqua, Howard, D. Johnson, Layne, Mann, McGinty, Miller, Mobley, Swope, Van Hoose.

The motion to adopt the Previous Question on **SB 57** was adopted.

Senator Swope requested a recess for ten minutes for the purpose of having a Republican caucus.

The chair ruled Senator Swope's motion out of order inasmuch as the Previous Question had been ordered.

On the roll call the vote was yeas 27—Billington, Blue, Bonn, Brizendine, Buckman, Cobb, Derickson, Duffy, Edwards, Engle, Gardner, Garrett, Gay, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, McCann, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Turner, Ware. Nays 9—Fuqua, Howard, D. Johnson, Layne, Mann, McGinty, Miller, Swope, Van Hoose.

SB 57 was passed and the title agreed to.

Senator Garrett moved that the vote by which **SB 57** was passed be reconsidered and that said motion be laid on the table. Agreed.

Senator McGinty moved that the Senate adjourn until 1:00 P.M., Monday, February 10. Agreed.

MONDAY, FEBRUARY 10, 1964

TWENTY-EIGHTH LEGISLATIVE DAY

The Senate was called to order by the President.

Prayer by the Reverend Charles N. King of the Corinthian Baptist Church of Frankfort.

The roll was called. All present except Senator Miller, who was granted leave of absence on motion of Senator Gardner.

Reading of the Journal for February 7 dispensed with and the same approved on motion of Senator Gardner.

Motions, Petitions and Communications

The Clerk read the following communication from Mrs. Tressa Hickerson, widow of Senator Broadus E. Hickerson:

"Dear Senator Raybourne:

You will never know just how happy I am to address you as Senator—to take up the torch and carry on for Broadus.

Please extend my deep appreciation to Lieutenant Governor Waterfield and all the Senate body for the sympathy and consideration extended to me. May God bless each and every one is my prayer.

Sincerely,
Mrs. Tressa Hickerson"

SR 14, A RESOLUTION endeavoring to persuade the Governor and the Superintendent of Public Instruction to use their good offices to re-evaluate the Public School Foundation Program giving special consideration to the financial problems of rapidly growing school districts.

WHEREAS, the Jefferson County school district has known a population explosion during the past ten years; and

WHEREAS, the people of this district have imposed a special building tax upon themselves; and

WHEREAS, that fund is now depleted; and

WHEREAS, many schools of the district are on double sessions and many more must go on double sessions to house the children; and

WHEREAS, these double sessions jeopardize the safety and well being of the students; and

WHEREAS, these double sessions disrupt the home life of many school families; and

WHEREAS, the Governor in his election compaign acknowledged the problem confronting the Jefferson County School District and promised his attention to the matter; and

NOW, THEREFORE,

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky:

1. That the Governor and the Superintendent of Public Instruction be requested to use their good offices to re-evaluate the Public School Foundation Program giving special consideration to the financial problems of rapidly growing school districts.

2. That the Clerk of the Senate shall send a copy of this resolution to the Governor and the Superintendent of Public Instruction.

Senator Layne moved the adoption of **SR 14.** Agreed.

Introduction of Bills and Resolution

SB 110, by Senator Buckman: AN ACT relating to absentee voting.

SB 111, by Senator Palmer: AN ACT relating to county fire protection.

SB 112, by Senator Edwards: AN ACT relating to autcioneers.

SR 19, by Senator Mobley: A CONCURRENT RESOLUTION requesting the Legislative Research Commission to cause the Legislative Record to be printed in green ink on March 17, St. Patrick's Day, in honor of Senator McCann of District 37, Jefferson County.

WHEREAS, as tradition declares, the date of March 17 is Saint Patrick's Day for decendents of the Emerald Isle of Ireland; and

WHEREAS, Senator McCann, in addition to long and constant service to his constituency and this Commonwealth which is warmly acknowledged by this General Assembly, is one of the lucky number who can lay claim on the rich and illustrious heritage of the Irish;

NOW, THEREFORE,

Be it resolved by the Senate of the Commonwealth of Kentucky; the House of Representatives concurring therein:

That the Legislative Research Commission cause the Legislative Record to be printed in green ink on March 17, Saint Patrick's Day, in honor of Senator McCann of District thirty-seven, Jefferson County.

Senator Mobley moved the adoption of **SR 19.** Agreed.

Calendar

SB 71, SB 32 taken from the Calendar and ordered read at length for the second time. Senator Gardner moved that they be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

Senator Gardner moved that the Rules be suspended for the purpose of introducing a bill. Agreed.

Introduction of Bill

SB 113, by Senator Bonn: AN ACT relating to traffic regulations on the streets.

Orders of the Day

SR 12 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Layne moved the Previous Question on **SR 12.** Agreed.

On the roll call the vote was yeas 15—Billington, Blue, Brizendine, Edwards, Fuqua, Garrett, Gay, Kinkead, Kiser, Layne, Mann, McGinty, Mobley, Spence, Van Hoose. Nays 12—Gardner, D. Johnson, F. Johnson, Kelly, Kidwell, McCann, Newberry, Nichols, Palmer, Swope, Turner, Ware.

SR 12 was defeated.

Announcements

Senator Gardner made the following announcements:

A meeting of the Committee on Appropriations in the House Speaker's Office after the Senate adjourns today.

A meeting of the General Assembly Members in the House Chamber, at 10:00 A.M., Tuesday, February 11, for a hearing on the Budget Bill.

A Public Hearing on the Budget Bill at 10:00 A.M., Wednesday, February 12, in the House Chamber.

House Message

Announcing passage of **SR 16, HB 149, HB 131.**

The chair appointed a Committee composed of Senators Derickson, Cobb and Howard to serve with a like committee from the House to escort the Governor to the House Chamber for a joint session to receive his budget message.

Recess

Senator Gardner moved the Senate to recess and proceed to the House Chamber for the purpose of hearing Governor Edward T. Breathitt's budget message. Agreed.

Joint Session

Lieutenant Governor Harry Lee Waterfield called the Joint Session to order.

Representative Denham moved that the roll call be dispensed with. Agreed.

The committee appointed to wait upon the Governor appeared with His Excellency, Edward T. Breathitt, Jr., Governor of the Commonwealth of Kentucky, who took his place at the Clerk's Desk and adressed the Joint Session as follows:

LIEUTENANT GOVERNOR WATERFIELD
MR. PRESIDENT PRO-TEM OF THE SENATE
MR. SPEAKER OF THE HOUSE
MEMBERS OF THE GENERAL ASSEMBLY:

Nothing indicates more clearly the nature of an administration, the goals toward which it strives or the course it intends to follow than its budget, and I hope I may be excused a measure of gratification and even of pride in the Budget which I present to you today.

I realize that the timing of this budget message represents a break with recent tradition, but I chose to devote extraordinary time and effort to this budget because I feel that no session of the General Assembly has ever been asked to consider a fiscal document of more critical importance to Kentucky and the shape of her future, or one that required a more delicate balancing of limited resources and pressing human needs.

This budget reflects a businesslike approach to the operation of government with economy foremost in its framing. It is a budget geared to speeding up the rate of Kentucky progress, a budget that keeps faith with the future without neglecting the demands of today. It is a balanced budget, and it is balanced without higher taxes, without new taxes, without hidden taxes, without tricks or gimmicks. It reflects the expansive, progressive mood of our state. It is an optimistic budget based on optimistic economic forecasts, a federal tax cut, a growing state economy and the most diligent economy in the management of your state's government.

I am confident that the optimism reflected in this budget is justified. For we have broken with the old, tired, unsure ways of the past. Ours is a mood of growth and vigor and confidence and the mood is being felt throughout the state in every aspect of our society and economy. With the adoption of this budget, which represents the soundest thinking of our state's most expert public servants, we will not only keep Kentucky marching forward, but we will quicken the pace of that march.

At the same time I must advise you that this is a most precisely balanced document, and I can carry out my pledge to finance it without new or higher taxes only if the Assembly resists the temptation to indulge in costly measures not contained in this budget, or to expand programs contained herein beyond their proposed boundaries.

The Commissioner of Revenue has estimated that our General Fund income should total approximately $274 million in the coming fiscal year and $292 million in the following year. The General Fund income, Road Fund receipts, departmental fees and Federal Grants —supplemented by surpluses and savings made possible by a continuing economy program—should enable us to finance our total budget of $695,700,000 in the coming fiscal year and $725,500,000 in 1965-66.

During the election campaign I promised the people of Kentucky that I would step up the rate of our educational progress by increasing teacher salaries by $500 a year, that I would increase funds to our University and colleges, continue development of our community colleges and expand our regional libraries, accelerate Kentucky's major highway program, expand the rural road program by doubling the state's annual appropriation, increase funds and services to our depressed counties, modernize our correctional system, and improve programs for the mentally ill and retarded. I also pledged a campaign to strengthen Kentucky's farm economy, to broaden our tourist industry and to provide 75,000 new jobs in the next four years.

Each and every one of these pledges is recognized by this budget. And let me repeat that this is achieved without new taxes, without higher taxes and without hidden taxes. I am determined that Kentuckians shall not pay one cent more than is absolutely and inescapably necessary to keep the state on the high road of progress and to bring them and their children the kind of state, the type of tomorrow, that is their rightful heritage.

The budget I am presenting for your consideration today gives first priority to the education of our children. Good teachers are the backbone of any school system, and this budget will help us to get good teachers and to keep the good ones we have. Salaries of qualified teachers will be raised $300 the first year and $200 the second year in accordance with the KEA prograrm. The Teachers' Retirement System is strengthened.

This budget also puts new muscle into vocational education. One million dollars is provided during the next two years to match the new funds available under recent federal legislation. This budget expands the program for adults education and places particular emphasis on the problems of the functionally illiterate. Funds for these classes are included in the grants to local school districts.

The Foundation Program is fully financed and funds are included in the Foundation Program to provide 100 new classroom units for exceptional children.

This year we are spending slightly more than $11 million at our five state colleges, which have an enrollment of about 17 thousand students. This budget will enable the colleges to admit an additional 4,000 students during the next biennium, and to improve the quality of education available to these larger student bodies by providing $32,800,000 for the two years. It allows each college to employ more professors and associate professors and to pay all professors better.

At the University of Kentucky we must anticipate more than a 30 per cent increase in the number of students during the next two years, both at Lexington and at our community colleges. The budget gives the University $39 million this biennium. I propose today to give the University $57,200,000 over the next two years. This includes funds for operation of the Elizabethtown and Prestonsburg community colleges beginning in 1964 and the community colleges at Somerset and Hopkinsville in 1965.

This will enable the University to grow in quality as well as quantity. Provision for higher salaries will enable the University to recruit and keep the best possible faculty. Major departments of the University can be placed on an academic year basis. A badly needed retirement system for faculty members is established and fully funded. The budget will permit the University to step up its agricultural research and service functions. It will permit the colleges of medicine, dentistry, and nursing to reach maximum planned sized by the end of this biennium.

The budget also increases the state grant to the University of Louisville medical and dental schools by $200 thousand each year of the biennium, increasing state support from $500 thousand a year now to $900 thousand in 1965.

The budget provides funds for continued planning for a statewide educational television network, looking toward 1966 for activation of the system.

Finally, in the field of education, this budget provides for expansion of the library extension program throughout the state.

In recent years Kentucky's gigantic highway program has pushed roads into all parts of the Commonwealth. Our splendid roads have attracted nationwide attention, aided our tourist industry and other commercial and industrial activities, and made travel safer and more convenient for our citizens.

Today's budget makes it certain that this construction will continue and at a faster rate in all its phases—interstate, primary, secondary, and rural highways.

The rural road appropriation is doubled for each of the years of the biennium, bringing the total to $10 million each year.

I believe that no section of the budget is more significant than the appropriation of $113,000,000 for the health and welfare needs of Kentuckians during the coming biennium. This represents an increase of $14 million available for the benefit of those whose future welfare depends so directly on the increasing excellence of our welfare programs.

A major area of unmet need concerns the welfare of the many children in our state who are deprived due to the inability of their fathers to find employment. Our Public Assistance program presently provides help to children when there is no longer a father or a wage earner in the home. But, we are not helping the hungry children whose father cannot support his family because he can find no job. These children need food, clothing, shelter, medical attention—the opportunity to attend school to make them productive citizens. The fathers need a chance for a job or training.

The federal govenment last month allocated a million dollars for a pilot program to put parents of dependent children to work in seven of our chronically depressed Eastern Kentucky counties. Beginning July 1, 1964, the program will be extended to more of the Appalachian area and on July 1, 1965, the program will be implemented on a statewide basis. The budget includes $1,100,000 for the first year of the biennium to match 3,340,000 federal dollars. The state-wide program for the second year will be financed by 1,460,000 state dollars and 4,690,000 federal dollars.

Almost every dollar requested by the Department of Corrections to assure a first class probation and parole system is provided in this budget. These funds will make it possible to employ additional probation and parole workers, improve existing salaries, and finance a modern in-service training program. The budget also provides for a limited number of professional personnel who will develop rehabilitation and treatment programs in our institutions during the next two years.

I also ask you to appropriate $120 thousand to finance immediate reforms in Kentucky's penal system. This sum will make possible the employment of a medical director and a director of training for the Corrections Department, a psychologist at Eddyville, 23 new guards at LaGrange and an associate warden for treatment programs, training officer, a physician, and a supervisor at each institution.

Failure to vote these funds will mean a delay of six months or more for the start of the vital reform program promised for both LaGrange and Eddyville.

The budget also includes funds for the operation of three new camps for delinquent boys. Each camp will accommodate 40 boys and will relieve overcrowding in Kentucky Village. Funds are also included in this budget for the care of 100 additional children in foster homes in each year of this biennium.

The budget makes possible the improvement and expansion of the programs for the mentally ill and the mentally retarded that have brought Kentucky national recognition during the past six years. It includes additional funds which will permit Outwood State Hospital to increase its patient load from 100 to 500, making possible the care and training of some unfortunates now neglected, and serving to relieve some of the deplorable overcrowded conditions of the facilities here at Frankfort.

With funds afforded by this budget, the Commissioner of Mental Health has assured me that the phased activation of the new $4,100,000 facility at Central State Hospital can be undertaken and that the facility can be staffed and equipped within the time schedule established by the Department. This will make available radically new programs of mental care and treatment which experts predict will be of unprecedented success in returning mental patients to normal productive life and in effecting savings not only of tax dollars but of human resources of value impossibble to calculate.

The budget includes funds to take the Minimum Foundation Program for county health departments to three additional counties in 1964 and three more the following year. It will continue present support to the 82 counties now participating in this matching program.

The budget calls for $2,325,000 for Kentucky's nationally famous system of state parks and shrines which are the core of our state's valuable tourist industry. Not only will these funds provide for further expansion of tourist and vacation attractions but an extensive publicity and advertising program to make sure that our expanding parks will be utilized to the maximum.

I am also asking you to make a supplementary appropriation of $1,500,000 for the Department of Parks. During the past three years the Department has put into operation a vast system of facilities made possible by the $20,000,000 building program. It has undertaken services, programs, and a scale of service never before attempted on a state level, and it has effected this nationally-recognized achievement without impropriety or relaxation of standards. As any businessman who has ever started a big new business will tell you, it was inevitable that during the early phases of such an operation, costs would exceed income. Indeed, when we consider that this parks system is the heart of the tourist industry that last year brought Kentucky more than $304,000,000 and paid more than $17,000,000 in tax revenue alone, this $1,500,000 is shown to be a very sound investment, one that will continue to pay returns to Kentucky and her taxpayers.

Kentucky greatly needs additional job opportunities and one of the goals of this administration is the development of 75,000 new jobs within the next four years. This budget takes in account the responsibility of state government in seeking new industry by increasing the Industrial Development function of the Department of Commerce.

It also recognizes the contribution that research can make to industry and employment and provides that the Department will continue to support Spindletop Research through contractual arrangements for specific projects. The budget recommends a campaign of advertising Kentucky's industrial advantages and it contains funds for the Kentucky Industrial Finance Authority, a unit that lends money for development of industry.

We have started a campaign in Kentucky that we hope will push our state's farm economy to a billion dollars a year within the next few years. This budget, in its support to the College of Agriculture, the State Fair and the Departments of Agriculture and Conservation, recognizes the needs of this campaign.

The State Fair Board requests a supplemental appropriation of $220,000 and I urge you to grant the request. It is true that the Board has been obliged to request such supplementary assistance in a majority of the years since the new fairgrounds and exposition center was opened; but, we have in the Center an asset of such value to Kentucky, its farmers and business concerns that the funds needed for its operation represent an investment whose soundness I know you will appreciate.

The proposal which is being presented today makes no provision for major needs of the state in terms of major new construction of facilities. I shall submit within the next few days a proposal for the financing of capital outlay programs for those agencies which receive their primary support from the General Fund. At the same time I shall submit to you a proposal regarding financing the federal aid highway program.

I know that you will want sufficient time to consider the details and ramifications of this budget. Yet, I am confident that, after careful and conscientious deliberation, you will decide that it deserves your support and approval. It is, I know, not a document whose primary appeal will be to the timid or over-cautious. It challenges our imagination and our courage as well as our old fiscal boundaries. It is a concrete expression of our determination to brush aside our limitations and hindrances and to push forward with increased imagination and courage, energy and determination, into the newer and better day in which we must live.

Representative Denham moved that the Joint Session be dissolved. Agreed. The President resumed the chair and called the Senate to order.

Reference of Bills

The Clerk announced that the following bills had been referred:

Executive and Legislative Affairs: **SB 93, HB 76**

Banking and Insurance: **SB 94, SB 95, SB 101, SB 104**

Administrative Agencies: **SB 96, SB 106**

Ways and Means: **SB 97, SB 98, SB 107, SB 109**

Judiciary: **SB 99, SB 102**

Highways and Transportation: **SB 100**

State and County Governments: **SB 103, HB 82**

Education: **SB 105, HB 56**

Revenue and Taxation: **SB 108**

Municipalities: **HB 48, HB 95**

Orders of the Day (Continued)

SB 59 taken from Orders of the Day and ordered read at length for the third time. Senator Garrett moved that it be read by title only. Agreed by a majority of members elected.

Senator Garrett moved the Previous Question on **SB 59.** Agreed.

On the roll call the vote was yeas 31—Billington, Bonn, Brand, Brizendine, Buckman, Cobb, Derickson, Duffy, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, Howard, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, McCann, McGinty, Mobley, Newberry, Palmer, Raybourne, Swope, Van Hoose, Ware. Nays 0.

SB 59 was passed and the title agreed to.

Senator Garrett moved that the vote by which **SB 59** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 34 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SB 34.** Said motion lost by voice vote.

Senator McCann moved, seconded by Senator Mobley, that **SB 34** be tabled. Agreed by a standing vote of seventeen to nine.

Report on Enrolled Bills

Committee on Enrollment reported that **HB 45**, **HB 10** had been examined and found correctly enrolled. **HB 45**, **HB 10** read at length, compared and signed in open session by the President. Ordered delivered to the House.

Orders of the Day (Continued)

SB 27 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Duffy moved the Previous Question on **SB 27**. Agreed.

On the roll call the vote was yeas 29—Billington, Blue, Bonn, Brand, Brizendine, Cobb, Derickson, Duffy, Edwards, Engle, Fuqua, Gardner, Garrett, Howard, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, McGinty, Newberry, Nichols, Palmer, Raybourne, Swope, Van Hoose, Ware. Nays 2—McCann, Mobley.

SB 27 was passed and the title agreed to.

Senator Duffy moved that the vote by which **SB 27** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 66 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the Previous Question on **SB 66**. Agreed.

On the roll call the vote was yeas 29—Billington, Blue, Bonn, Cobb, Duffy, Duncan, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, Howard, D. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, McCann, McGinty, Mobley, Newberry, Nichols, Palmer, Raybourne, Swope, Van Hoose, Ware. Nays 1—Mann.

SB 66 was passed and the title agreed to.

Senator Gardner moved that the vote by which **SB 66** was passed be reconsidered and that said motion be laid on the table. Agreed.

Senator Gardner moved that the Senate adjourn until 1:00 P.M., Tuesday, February 11. Agreed.

TUESDAY, FEBRUARY 11, 1964

TWENTY-NINTH LEGISLATIVE DAY

The Senate was called to order by the President.

Prayer by the Reverend John C. Chenault of the First Christian Church of Frankfort.

The roll was called. All present except Senators Duncan, Kiser and Spence, who were granted leave of absence on motion of Senator Gardner.

Reading of the Journal for February 10 dispensed with and the same approved on motion of Senator Gardner.

House Message

Announcing passage of **HR 39**, **HR 42.**

Introduction of Bills and Resolutions

SR 20, by Senator Van Hoose: A RESOLUTION requiring an investigation of the conditions at Kentucky Village.

Senator Van Hoose moved the adoption of **SR 20.**

Senator Kinkead moved to postpone the action on **SR 20** until February 24, and that it be laid on the Clerk's Desk. Agreed.

SR 21, by Senator Howard: A CONCURRENT RESOLUTION concerning adjournment of the General Assembly.

Be it resolved by the Senate of the Commonwealth of Kentucky; the House of Representatives concurring therein:

That when the Senate and the House of Representatives do adjourn on Tuesday, February 11, 1964, they do so to convene again on Monday, 17, 1964, at the hour 1:00 P.M. as provided in the Rules of the Senate and of the House of Representatives.

Senator Howard moved the adoption of **SR 21.** Agreed.

SB 114, by Senator Mobley: AN ACT relating to petty loan companies.

SB 115, by Senator Ware: AN ACT relating to contract actions against the Commonwealth of Kentucky.

SB 116, by Senator Buckman: AN ACT relating to Workmen's Compensation.

SB 117, by Senator Buckman: AN ACT to protect and promote the health, comfort and welfare of employees by providing for one day rest in seven, and establishing conditions relating to working and doing business on Sunday.

SB 118, by Senator Mobley: AN ACT relating to elections.

SB 119, by Senators Kinkead, Palmer and Garrett: AN ACT relating to actions for libel and slander against newspapers.

SB 120, by Senator Billington: AN ACT relating to the licensing of historic motor vehicles.

SB 121, by Senator Blue: AN ACT relating to city utility commissions.

SB 122, by Senator Donald Johnson: AN ACT relating to hospitals.

SB 123, by Senator Bonn: AN ACT relating to the bonds and notes of Kentucky municipalities and other taxing districts.

SB 124, by Senator Bonn: AN ACT relating to insurance.

Report of Committee

Committee on Agriculture and State Fair reported **SB 80** with the expression of opinion that same should pass, with Committee Amendment attached thereto. Read at length for the first time and ordered placed in the Calendar.

SB 80, AN ACT relating to inspection of tobacco.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

KRS 248.310 is amended to read:

(1) The inspectors employed under KRS 248.300 shall carry out a general inspection service of all warehouses and shall strictly enforce KRS 248.280 and *248.450* [248.440].

(2) An inspector employed by the department may:

(a) Reweigh any reasonable amount of tobacco that has been received by the tobacco warehouse.

(b) Determine the weight of all containers and devices used in the transport for the purpose of weighing tobacco on the warehouse floor and establish a weight tare for each warehouse.

[(3) An inspector employed by the department may reweigh any tobacco at any warehouse at any time that the inspector is reasonably certain that the tobacco has been improperly weighed.]

Committee Amendment to **SB 80** is as follows:

Amend printed copy of Senate Bill 80 on page 1, line 4, by: striking out the word "and" and between the figures "248.280" and "248.450" and inserting in lieu thereof the word "to."

Orders of the Day

SB 71 taken from Orders of the Day and ordered read at length for the third time. Senator McGinty moved that **SB 71** be recommitted to the Committee on Executive and Legislative Affairs. Agreed.

SB 32 taken from Orders of the Day and ordered read at length for the third time. Senator Swope moved that it be read by title only. Agreed by a majority of members elected.

Senator Swope moved the Previous Question on **SB 32**. Agreed.

On the roll call the vote was yeas 30—Billington, Blue, Bonn, Brizendine, Buckman, Derickson, Duffy, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, Howard, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Mann, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Swope, Ware. Nays 0.

SB 32 was passed and the title agreed to.

Senator Swope moved that the vote by which **SB 32** was passed be reconsidered and that said motion be laid on the table. Agreed.

Announcements

Senator McCann, Chairman of the Committee on Municipalities, announced a Public Hearing on **SB 39, SB 55, SB 67, SB 69** at 10:00 A.M., Thursday, February 20 in the Senate Chamber.

Senator Howard announced a meeting of the Planning and Zoning Committee at 10:00 A.M., Monday, February 17, in Room 327.

Senator Bonn, Chairman of the Committee on Highways and Transportation, announced a meeting at 12:30 P.M., Monday, February 17, in Room 318.

HR 39, A CONCURRENT RESOLUTION in memory, honor and tribute to Abraham Lincoln.

WHEREAS, February 12 is the date of Abraham Lincoln's birthday and Kentucky is the place where he was born and this year, nineteen hundred sixty four is the one hundred fifty-ninth anniversary of his birth; and

WHEREAS, Abraham Lincoln was born to poverty in a bare lonely cabin in a dark wilderness far removed from the culture and opportunities of the world and never had the chance to attend schools or institutions of learning; and

WHEREAS, the soul of Lincoln was a restless soul. He was close to and was stimulated by the glory of Nature, he was responsive to the impulse of the high wind, the still darkness of night and the glory of early morning time; and

WHEREAS, he split rails at daytime and dreamed dreams at night, read Poor Richard's Almanac, the Holy Bible; and

WHEREAS, Lincoln was devoid of the will to hate and was endowed with a capacity to love with a love that was more than love, he was meek and humble, his soul was filled with compassion and humility. He espoused to the belief of what was fair, equitable and right, the omnipotence of the All Mighty and the dignity and freedom of all men; and

WHEREAS, Lincoln was his own tutor and teacher. He cultivated his mind until it became a gem of many sparkling facets. His mind orbited the constellations of knowledge, military science, pure science, philosophy, metaphysics, calculus and other realms of learning; and

WHEREAS, because of his ability, his knowledge, his wisdom, and his honesty, he was elected sixteenth president of the United States of America, freed men not free, and preserved the Union; and

WHEREAS, Lincoln will never need his image on a postage stamp, his inscription on coins, or statutes, obelisk shafts, to perpetuate his memory, because as long as time shall last his memory will remain in the heart of freedom loving men; and

WHEREAS, it is believed that after eons of millenniums and great segments of time have passed, and kingdoms have risen and fallen and nations have come forth and faded into oblivion, and as long as man inhabits the earth that the name of Abraham Lincoln will be remembered;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the Commonwealth of Kentucky, the Senate concurring therein:

That when the General Assembly adjourns on this day, February 11, 1964, they do so in memory, respect, and tribute to Abraham Lincoln.

Senator Howard moved the adoption of **HR 39**, seconded by Senator Gardner. Agreed.

Reference of Bills

The Clerk announced that the following bills had been referred:

Suffrage, Elections and Constitutional Amendments: **SB 110**, **SB 118**

State and County Governments: **SB 111**

Ways and Means: **SB 112, SB 114, SB 119, HB 131, HB 149**

Highways and Transportation: **SB 113**

Administrative Agencies: **SB 115, SB 120**

Labor and Industry: **SB 116**

Municipalities: **SB 117, SB 123**

Public Utilities: **SB 121**

Health and Welfare: **SB 122**

Banking and Insurance: **SB 124**

Senator Gardner moved that the Senate adjourn until 1:00 P.M., Thursday, February 13. Agreed.

THURSDAY, FEBRUARY 13, 1964

THIRTIETH LEGISLATIVE DAY

The Senate was called to order by Senator Gardner, Majority Floor Leader.

Prayer by Senator Alvin Kidwell.

The roll was called. Due to the fact that a quorum was not present no legislative business was transacted.

Announcement

Senator Nichols, Chairman of the Committee on Labor and Industry, announced a meeting of said committee in Room 327, on Tuesday, February 18, after adjournment of the Senate.

Senator Buckman moved that the Senate adjourn until 3:00 P.M., Monday, February 17. Agreed.

MONDAY, FEBRUARY 17, 1964

THIRTY-THIRD LEGISLATIVE DAY

The Senate was called to order by the President.

Prayer by the Reverend James A. Shepherd of the First Methodist Church of Frankfort.

The roll was called. All present except Senators Brizendine, F. Johnson and Nichols, who were granted leave of absence on motion of Senator Gardner.

Reading of the Journals for February 11 and 13 dispensed with and the same approved on motion of Senator McCann.

Communication

The Clerk read the following communication from the Associated Press to the Honorable Harry Lee Waterfield:

February 17, 1964

The Honorable Harry Lee Waterfield
President of the Senate

Dear Sir:

We submit herewith additional members of the Capitol Press Club who, pursuant to your rules, are entitled to the privileges of the press section.

The Courier-Journal—Robert Deitz
The State-Journal—Jim Richards
WKLO—Jim Reynolds

Respectfully submitted,
Sy Ramsey
President AP

Ann Pardue
Secretary

House Message

Announcing passage of **HB 22, HB 40, HB 70, HB 85, HB 100, HB 106, HB 123, HB 132, SB 3.** The House refused to concur in **SR 21.**

Motions, Petitions and Communications

HR 42, A CONCURRENT RESOLUTION commending the City of Louisville, the Reynolds Aluminum Company and the General Electric Company for interest and efforts in mounting the proposed Louisville riverfront redevelopment project.

WHEREAS, the Commonwealth of Kentucky and its various cities and counties are now dedicated as never before to the development and encouragement of new investments in the economy of the Commonwealth and are using, where appropriate, extensive urban renewal programs to clear the way for such investments; and,

WHEREAS, in the City of Louisville efforts are now being made to revitalize the central business core of the City through extensive urban renewal programs, which when completed will be of great benefit to not only the Louisville community but also to the entire Commonwealth; and,

WHEREAS, the Reynolds Aluminum Service Corporation, with participation by the General Electric Company, has offered to undertake a massive redevelopment of Louisville's downtown riverfront; and,

WHEREAS, there has long been the desire to redevelop the Louisville downtown riverfront as evidenced by the fact that that city's central area businessmen have incorporated the project in a long-range community revitalization program; and,

WHEREAS, blight and deterioration have over the years spread through the aforementioned riverfront redevelopment project area, reducing its productivity to such a point that property taxes derived from the project area now amounts to only $90,000 a year to the City, County and State Governments; and,

WHEREAS, the redevelopment proposed for the riverfront area by the Reynolds Aluminum Service Corporation in cooperation with General Electric Company would increase the property assessments in the subject area to such a point that it would produce well over $660,000 a year to the City, County and State in taxes; and,

WHEREAS, the project would, during its construction phase and thereafter, create hundreds of new jobs, adding greatly to the economy of not only the Louisville community but the Commonwealth in general; and,

WHEREAS, it is the belief that the riverfront redevelopment project would set off additional new investments in adjacent areas, adding more new jobs to the Commonwealth's economy; and

WHEREAS, this project, although long proposed and long desired by the Louisville community, has still not received the necessary final approval of the various local and Federal agencies;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the Commonwealth of Kentucky, the Senate concurring therein:

Section 1. That the City of Louisville, its Board of Aldermen and various local agencies and the Reynolds Aluminum Service Corporation and the General Electric Company be commended for their interest and efforts in mounting the proposed Louisville riverfront development project.

Section 2. That the Commonwealth of Kentucky urges that every effort be made to expedite the project for the good of the Louisville community and the Commonwealth generally.

Senator Miller moved the adoption of **HR 42.** Agreed.

Introduction of Bills

SB 125, by Senators McGinty, Layne, Duffy, Bonn, McCann and Miller: AN ACT relating to urban services districts.

SB 126, by Senators McGinty, Layne, Duffy, Bonn, McCann and Miller: AN ACT relating to interlocal cooperation.

SB 127, by Senators McGinty, Layne, Duffy, Bonn, McCann and Miller: AN ACT relating to the incorporation of cities.

SB 128, by Senators Spence, Gay, Engle and Van Hoose: AN ACT relating to prayer.

SB 129, by Senator Gay: AN ACT relating to social security.

SB 130, by Senator Gay: AN ACT relating to public schools.

SB 131, by Senator Gay: AN ACT relating to the establishment of election day as a legal holiday.

SB 132, by Senator Cobb: AN ACT relating to Conservation.

SB 133, by Senator Cobb: AN ACT relating to Conservation.

SB 134, by Senator Kelly: AN ACT relating to Soil and Water Conservation.

SB 135, by Senator Kelly: AN ACT relating to Conservation of Natural Resources.

SB 136, by Senators Raybourne and Buckman: AN ACT relating to Natural Resources Development.

SB 137, by Senators Duffy, Miller and Palmer: AN ACT relating to county roads.

SB 138, by Senators Miller, Layne, Duffy and Bonn: AN ACT relating to planning and zoning in cities of the first class and in counties containing such cities.

SB 139, by Senators Miller, Layne, McGinty, Duffy and Bonn: AN ACT relating to legal holidays.

SB 140, by Senator McCann: AN ACT relating to the meetings and records of governmental agencies.

Calendar

SB 80 taken from the Calendar and ordered read at length for the second time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

Announcements

The Clerk read the following statement from the Honorable Edward E. Breathitt, Governor of the Commonwealth of Kentucky:

I have met today in the Governor's Conference Room with members of the Children's Advisory Council and Judge J. Paul Keith of Louisville to discuss the hearing which they conducted in Lexington last week on Kentucky Village.

I have in my possession their report which I intend to study and review until 10 a.m. Tuesday, at which time I will hold a press conference to present a statement of recommendations on Kentucky Village. At the same time, the report will be made available to the Senate and House members and to the press.

The transcript of the hearing, in the order the witnesses were heard, will be available and copies delivered to the House and Senate. The committee heard some 76 witnesses during nearly 60 hours of testimony. The testimony, which will run nearly 1,000 pages, is now being transcribed.

Senator Bonn, Chairman, announced a meeting of the Committee on Motor Transportation at 12:30 P.M., on Tuesday, February 18, in Room 318.

Senator Billington, Chairman, announced a meeting of the Committee on Ways and Means at 10:30 A.M., Tuesday, February 18, in Room 327.

Senator Nichols, Chairman, announced a meeting of the Committee on Labor and Industry, after the Senate adjourns on Tuesday, February 18, in Room 327.

Senator Ware, Chairman, announced a meeting of the Committee on Banking and Insurance at 11:00 A.M., on Tuesday, February 18, in the Senate Chamber.

Senator Spence, Chairman announced a meeting of the Committee on Health and Welfare at 2:30 P.M., on Tuesday, February 18, in Room 318.

Senator Edwards, Chairman, announced a meeting of the Committee on State and County Governments, after the Senate adjourns on Tuesday, February 18, in Room 319.

Senator McGinty moved that when we adjourn today that we do so in honor of James Ora Ware, son of Senator Ware, who performed quite a swimming fete on Sunday, February 16 as Champion of the Eighth Group of the Ohio Valley A.A.U. Agreed.

Senator Gardner moved the Senate to adjourn until 1:00 P.M. Tuesday, February 18. Agreed.

TUESDAY, FEBRUARY 18, 1964

THIRTY-FOURTH LEGISLATIVE DAY

The Senate was called to order by the President.

Prayer by Rabbi Robert Rothman of the Temple Adath Israel, Lexington.

The roll was called. All Senators were present.

Reading of the Journal for February 17 dispensed with and the same approved on motion of Senator Gardner.

Announcement

Senator McCann, Chairman, announced a Public Hearing of the Committee on Municipalities at 10:00 A.M., on Thursday, February 27 in the Senate Chamber, and a Committee meeting following the Public Hearing.

Introduction of Bills and Resolutions

SR 22, by Senator Buckman: A RESOLUTION relating to lobbying and the right of petition.

Senator Buckman moved the adoption of **SR 22**, seconded by Senator Gardner.

Senator Van Hoose moved to table **SR 22**, seconded by Senator Miller. Agreed.

SR 23, by Senator Duffy: A RESOLUTION recognizing and encouraging the Youth Speaks' Friendship Exchange Program as a community relations project for high school students in Kentucky.

WHEREAS, Youth Speaks, in Louisville, was organized in 1952 to create "better human relations" and encourage "personal citizenship responsibility in the process of discovering, developing and applying the moral and spiritual values inherent in the democratic way of life"; and

WHEREAS, this organization is sincerely interested in the youths in all sections of Kentucky; and

WHEREAS, Youth Friendship Exchange was established as an intrastate youth program offering Kentucky High School Students an opportunity to visit a section of the Commonwealth unfamiliar to them; creating a better understanding of the people of different areas —socially, economically, culturally, and educaionally; and

WHEREAS, rural and urban youths will have the opportunity to learn local customs and culture by participation; and will have the occasion to discuss and exchange ideas with each other by living for a week or ten days during the summer with a host family;

NOW, THEREFORE,

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Senate recognizes Youth Speaks as a youth organization dedicated to better human relations and personal citizenship responsibility.

Section 2. That Youth Speaks, in cooperation with its Alumni, is sponsoring Youth Friendship Exchange as a program which can create a better understanding between the youths of the different areas of our Commonwealth.

Section 3. That since the Youth Friendship Exchange program can function this summer, we the Members of the Senate offer our recognition of this program and realize its value for creating closer bonds between rural and urban youths in the Commonwealth of Kentucky.

Senator Duffy moved the adoption of **SR 23.** Agreed.

SR 24, by Senators Layne, Miller, Mann, D. Johnson, Van Hoose, McGinty, Duncan, Swope, Mobley, Fuqua, Spence, Gay and Howard: A RESOLUTION requesting certain additional information relative to House Bill 222.

Senator Layne moved the adoption of **SR 24,** seconded by Senator McGinty.

Senator Gardner moved, seconded by Senator Duffy, that **SR 24** be tabled and requested a roll call. Agreed.

On the roll call the vote was yeas 21—Blue, Bonn, Brizendine, Cobb, Duffy, Edwards, Engle, Gardner, Garrett, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, McCann, Newberry, Nichols, Palmer, Raybourne, Turner, Ware. Nays 9—Fuqua, Howard, D. Johnson, Layne, McGinty, Miller, Spence, Swope, Van Hoose.

SR 24 was tabled.

SB 141, by Senator Nichols: AN ACT relating to traffic regulations.

SB 142, by Senator Nichols: AN ACT relating to mayors of third-class cities.

SB 143, by Senator Garrett: AN ACT relating to secured transactions.

SB 144, by Senator Edwards: AN ACT relating to motor vehicle license taxes.

SB 145, by Senator Buckman: AN ACT relating to the Kentucky Authority for Educational Television.

SB 146, by Senators Kinkead, Gardner and D. Johnson: AN ACT relating to boundaries of second class cities.

SB 147, by Senators Raybourne and Buckman: AN ACT relating to county judges.

SB 148, by Senators Layne and Miller: AN ACT changing the classification of the City of Shively, in Jefferson County.

SB 149, by Senator Billington: AN ACT providing for the conversion of a mutual insurer to a stock insurer.

SB 150, by Senator D. Johnson: AN ACT relating to marriage.

SB 151, by Senator Engle: AN ACT relating to embalmers and funeral directors.

SB 152, by Senator D. Johnson: AN ACT relating to county parks.

Report on Enrolled Bill

Committee on Enrollment reported that **SB 3** had been examined and found correctly enrolled. **SB 3** read at length, compared, and signed in open session by the President. Ordered delivered to the House.

SB 3 delivered, signed by the Speaker. Ordered delivered to the Governor.

Report of Committees

Committee on Banking and Insurance reported **SB 94** with the expression of opinion that same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 94, AN ACT relating to insurance.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 304.099 is amended to read:

(1) Except as provided in KRS 304.103, all bonds and policies covering subjects of insurance located or to be performed in this state which are placed by or through a licensed nonresident agent shall be countersigned by a duly licensed resident agent of the insurer.

(2) *Except as provided in subsection (3) herein, the* [The] countersigning resident agent and the nonresident agent shall share [equally] in the commissions derived from all bonds and policies requiring countersigning by this section *as previously agreed upon, with the countersigning agent receiving not less than five percent commission.*

(3) The countersigning resident agent and the nonresident agent shall share equally in the commissions derived from all policies and bonds required to be filed with and approved by the Commissioner of Highways, or incident or pertaining to an operation under a contract awarded by the Commissioner of Highways.

Committee on Public Utilities reported **SB 121** with the expression of opinion that same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 121, AN ACT relating to city utility commissions.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 96.530 is amended to read:

(1) Any city acquiring or constructing an electric light, heat and power plant under the provisions of KRS 96.520 shall, by ordinance, appoint a city utility commission consisting of three commissioners to operate, manage and control the plant. The utility commission shall have absolute control of the plant in every respect, including its operation and fiscal management and the regulation of rates, except that in fixing rates the commission shall be governed by the provisions of KRS 96.430, as it is made applicable to such plants by KRS 96.520, and by any ordinance enacted under that section *(except that in fixing rates the commission in a city of the second or third class shall be governed by the provisions of KRS 96.535 and any ordinance enacted thereunder).* The *utility* commission shall provide rules for the management of the plant, *and it shall fix the number, qualifications, pay, and terms of employment of all employes needed to operate the plant. In cities of the second or third class providing civil service coverage for city employes the utility commission appointed under this section may provide such civil service coverage for all or any number of its employes engaged in the operation of the plant, and it shall exercise the powers and functions with respect to such employes, which are vested in the city legislative body with respect to the city employes by KRS 90.380.* Out of the revenue of the plant it shall pay operating expenses, repairs and necessary additions and provide sufficient reserve fund against any emergency that may arise. The commission shall from time to time pay to the city the surplus revenue derived from the operation of the plant as is provided in KRS 96.430 and 96.440, as they are made applicable to such plants by KRS 96.520 *(except that the commission in a city of the second or*

third class shall pay to the city the surplus revenue derived from the operation of the plant as is provided in KRS 96.535 and any ordinance adopted thereunder).

(2) Except as provided in KRS 61.070, no person shall be appointed a member of the commission who has, with the last two years before his appointment, held any city, county, state or federal office, or been a member of any committee of any political party, or who is related within the third degree to the mayor or a member of the city legislative body. The commission shall not appoint to any subordinate office that it may create any person who is related to any commissioner, to the mayor or to any member of the city legislative body. No officer or employe of the city, whether holding a paid or unpaid office, shall be elegible to be appointed as a member of said commission or to be employed by the commission in any capacity. The members of the commission shall be citizens, taxpayers and legal voters of the city and shall not at the time of appointment be indebted to the city or be surety on the official bond of any officer of the city. If at any time during his term of office any member of the commission becomes a candidate for or is elected or appointed to any public office he shall automatically vacate his membership on the commission and another person shall be appointed in his place.

(3) The city shall pay the cost of securing bonds for the commissioners from a surety company, and each commissioner shall execute bond to be approved by the city legislative body.

(4) The city legislative body shall fix the salary to be paid each member of the commission at a sum not to exceed three hundred dollars per annum.

(5) The first commissioners appointed under this section shall be appointed for the term of one year, one for the term of two years and one for the term of three years. Upon the expiration of the first terms, successors shall be appointed for a term of three years.

Committee on Highways and Transportation reported **SB 113** with the expression of opinion that same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 113, AN ACT relating to Traffic Regulations on the Streets.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of the Kentucky Revised Statutes is enacted to read as follows:

The Commissioner of Highways may, by Official Order, assume the responsibility for regulating traffic and parking on streets accepted as a part of the state highway system, and may contract with the city or a joint city-county agency for the performance of his function.

Section 2. Section 177.046 of the Kentucky Revised Statutes is repealed.

Orders of the Day

SB 80 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Palmer offered Committee Amendment to **SB 80** and moved its adoption. Agreed.

Said Committee Amendment to **SB 80** is as follows:

Amend printed copy of Senate Bill 80 on page 1, line 4, by: striking out the word "and" between the figures "248.280" and "248.450" and inserting in lieu thereof the word "to".

On the roll call the vote was yeas 33—Billington, Blue, Bonn, Brand, Brizendine, Buckman, Duffy, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, Howard, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, McCann, McGinty, Miller, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

SB 80 was passed and the title agreed to.

Senator Palmer moved that the vote by which **SB 80** was passed be reconsidered and that said motion be laid on the table. Agreed.

Announcements

Senator Turner, Chairman, announced a meeting of the Committee on Education after adjournment of the Senate in Room 327, February 19.

Senator McCann, Chairman, announced a meeting of the Committee on Municipalities after adjournment of the Senate in Room 318, February 19.

Senator Billington, Chairman, announced a meeting of the Committee on Ways and Means at 12:00 noon, in Room 327, on February 19.

Senator Edwards, Chairman announced a meeting of the Committee on State and County Governments, the time and place to be announced later.

Senator Palmer, Chairman, announced a meeting of the Committee on Agriculture at 11:00 A.M., February 20, in Room 318.

The President announced that at the request of the Senate the following named have been assigned to work with the Constitutional Assembly, removed from the Senate payroll and transferred to the payroll of the Assembly:

Asst. Sgt. at Arms: James Blair, Roscoe Downs.

Asst. Janitor: Clarence Sparrow.

Messenger: Emmett Holbrook.

Balcony Aide: Buddy Richardson.

Committee Room Door Keeper: Bailey Smith.

Typist: Betty Phelps, Carolyn Draper.

Asst. Mail Clerk: Mrs. Jerry Spears, Mrs. Tom Baker.

Pages: James Liebman, Emerson Parker, Elizabeth Gilbert.

Senator Gardner moved that the Senate adjourn until 1:00 P.M., Wednesday, February 19. Agreed.

WEDNESDAY, FEBRUARY 19, 1964

THIRTY-FIFTH LEGISLATIVE DAY

The Senate was called to order by the President.

Prayer by the Reverend James A. Shepherd of the First Methodist Church of Frankfort.

The roll was called. All Senators were present.

Reading of the Journal for February 18 dispensed with and the same approved on motion of Senator Gardner.

House Message

Announcing passage of **HB 43, HB 107, HB 124, HB 198, HR 38, SB 4, SB 6.**

Motions, Petitions and Communications

Senator Howard moved that **HR 38** be laid on the Clerk's desk. Agreed.

Introduction of Bills and Resolution

SB 153, by Senator Mobley: AN ACT relating to county sheriffs.

SB 154, by Senator McCann: AN ACT relating to elevators, dumbwaiters and escalators; the safety and inspection thereof; and making an appropriation.

SB 155, by Senator Van Hoose: AN ACT relating to teachers in public schools.

SB 156, by Senators Gardner and Raybourne: AN ACT relating to Boards of Education.

SB 157, by Senator Buckman: AN ACT relating to liability of parents for acts of delinquent children.

SB 158, by Senator Buckman: AN ACT relating to limitations of actions.

SB 159, by Senators Billington and Garrett: AN ACT relating to the sale of farm products by the Department of Fish and Wildlife Resources.

SB 160, by Senator F. Johnson: AN ACT relating to individual and corporate income taxes.

SB 161, by Senators McGinty, Layne, Miller, Duffy, Bonn and McCann: AN ACT relating to county jail building funds.

SB 162, by Senator Nichols: AN ACT relating to the registration fee of motor vehicles.

SR 25, by Senators Spence and Gardner: A RESOLUTION authorizing an appropriation to the estate of Bessie R. Arnold, deceased, to reimburse the estate for state checks held by the deceased.

Report of Committee

Committee on Ways and Means reported **SB 109, HB 1** with the expression of opinion that same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 109, AN ACT relating to sheriffs.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

When any sheriff in counties containing a population of less than seventy-five thousand dies during his term of office, the Fiscal Court of any such county shall on or before the first day of March of the year following the death of such sheriff pay to the personal representative of the deceased sheriff sufficient money to reimburse his estate for the salaries of his deputies and assistants and other necessary expenses of his office incurred by the deceased sheriff during the year of his death. The fiscal court shall also pay to the deceased sheriff's personal representative a sum of money equal to a salary rate of six hundred dollars per month for the actual number of months which he performed the duties of sheriff during the year of his death. The total of all such sums of money in no event shall exceed one-twelfth of the aggregate fees collected by the deceased sheriff and his successor during the year of his death and all fees and commissions the sheriff earned during the year of his death shall be deducted from the amount his personal representative is to receive by this Act.

HB 1, AN ACT relating to state purchasing and property control.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. (1) The Division of Purchases shall be headed by a director who shall be a person acquainted with the methods and technique of public purchasing. He shall be appointed by the Commissioner of Finance pursuant to provisions of Chapter 12 of the Kentucky Revised Statutes.

(2) The Director of Purchases, under the direction of the Commissioner of Finance, shall purchase, or shall delegate and control the purchase of, the combined requirements of all spending agencies of the state for contractual services, rentals of all types, supplies, ma-

terials, equipment, and services, except that competitive bids may not be required.

(a) for contractual services where no competition exists, such as telephone service, electrical energy, and other public utility services;

(b) when in the judgment of the Director of Purchases food, clothing, equipment, supplies, or other materials to be used in laboratory and experimental studies can be purchased otherwise to the best advantage of the state; and instructional materials available from only one source;

(c) where rates are fixed by law or ordinance;

(d) for library books;

(e) for commercial items that are purchased for resale; and

(f) for professional, technical, or artistic services. Contracts exempted by this provision shall be referred to the Department of Personnel for review and approval.

(3) The Division of Purchases shall have supervision over all purchases by the various spending agencies, except as otherwise provided by law, and shall prescribe rules and regulations to govern purchasing by or for all such agencies, subject to the approval of the Commissioner of Finance, and shall publish a manual of procedures to be distributed to agencies and to be revised upon issuance of amendments to such procedures. No purchase or contract shall be binding on the state or any agency thereof unless approved by the division or made under general regulations which the Department of Finance may prescribe.

(4) The Division of Purchases shall adopt regulations to require agencies to take and maintain inventories of plant and equipment. The Division of Purchases shall conduct periodic physical audits of inventories.

(5) The Director of Purchases shall require all agencies to furnish an estimate of specific needs for supplies, materials, and equipment to be purchased by competitive bidding for the purpose of permitting scheduling of purchasing in large volume. He shall establish and enforce schedules for purchasing supplies, materials, and equipment. In addition, all agencies shall submit to the Director of Purchases prior to the beginning of each fiscal year an estimate of all needs for supplies, materials, and equipment during that year which will have to be acquired through competitive bidding.

(6) The Division of Purchases shall have power, with the approval of the Commissioner of Finance, to transfer between departments, to salvage, to exchange, and to condemn supplies, equipment, and real property.

(7) The Division of Purchases shall sell all property (including real estate) of the state determined, with the approval of the Com-

missioner of Finance and the Governor, not to be needed for public use or to have become unsuitable for such use. All deeds covering the sale of real estate shall be executed and signed by the Commissioner of Finance and approved and signed by the Governor. Unless the Commissioner of Finance deems it in the best interest of the state to proceed otherwise, all sales of property (including real estate) shall be either by invitation of sealed bids or by public auction.

(8) Except as provided in KRS Chapters 175, 176, 177 and 180, the Division of Purchases shall purchase all real property determined to be needed for state use, upon the approval of the Commissioner of Finance and the Governor as to the determination of need and as to the action of purchase, provided that the amount paid shall not exceed the appraised value as determined by the Department of Revenue, or value set by eminent domain procedure.

(9) The Division of Purchases shall maintain records of all purchases and sales made under its authority and shall make periodic summary reports of all transactions to the Commissioner of Finance, the Governor, and the General Assembly. The division shall also report trends in costs and prices, including savings realized through improved practices, to the above authorities.

(10) The Director of the Division of Purchases shall attempt in every practicable way to insure the state's supplying its real needs at the lowest possible cost.

Section 2. (1) The Director of the Division of Purchases shall prepare, adopt, promulgate and enforce written standards and specifications for materials, equipment and supplies after consultation with agencies affected. The Director shall:

(a) Classify the requirements of state government for supplies, materials, and equipment;

(b) Adopt, for as many commodities as possible, standards of quality and quantity;

(c) Establish standard identification of items of supply. In complying with his responsibilities under this Act, the Director shall not be limited to (a) through (c) above, but shall perform each and every act necessary and proper to carry out the full intent and purpose of this Act.

(2) Standards and specifications shall be developed so as to ensure competitive bidding.

(3) Standards and specifications shall be adopted as regulations. Each standard or specification adopted shall apply to each future purchase of said commodity.

Section 3. (1) All persons, firms, or corporations who desire to bid on and furnish any of the materials, supplies, or equipment usually purchased by the Division of Purchases may at any time file with the division its or their name or names, together with the character and kind of such materials, supplies, and equipment which it or they may desire to bid on and furnish, and such names shall be placed on the list of bidders applicable to such commodities as they desire to bid on and furnish. Prior to such listing, however, the Director of Purchases shall verify the qualifications of prospective bidders in terms of:

(a) Ability, capacity, and skill of the bidder to perform on a timely basis under contract for goods and services which he desires to bid on and furnish;

(b) Character, integrity, reputation, and experience of the bidder;

(c) Performance in previous dealings with the Commonwealth of Kentucky and other governmental agencies or private business concerns; and

(d) Qualification with the Department of Revenue as a registered sales or use tax permit holder.

(2) Subject to the right of appeal by the prospective bidder to the Commissioner of Finance, the Director of Purchases may refuse to list any prospective bidder not meeting minimum qualifications and may remove from the list of bidders any bidders who consistently fail to respond to invitations to bid or who fail to perform satisfactorily after having been awarded a contract. To insure performance the Director of Purchases may require that bidders furnish performance bond either at the time of submission of bids or prior to award of contract.

(3) The Division of Purchases and using agencies shall employ the lists of bidders and other sources of information in such a way as to foster the highest level of sound competition when invitations to bid are issued as required by this section. In the event that there are more than ten bidders on the list applicable to a given commodity, at least ten of those listed shall be issued invitations when competitive bidding is required by this section in the purchase of said commodity, and any additional qualified bidders, whether or not they were issued invitations, may request invitations and shall be afforded the opportunity to submit a bid. In addition, the division shall solicit bids by publication in two newspapers of general circulation in the state to be determined and designated by the Commissioner of Finance. The notice to be published shall contain a general description of items to be purchased or sold; the date, time and location on and at which bids will be opened; and the location from which the list of items, terms, and specifications can be obtained. For purposes of advertising in newspapers, a detailed listing of items shall not be necessary.

(4) The Division of Purchases shall require the formal invitation of sealed written bids on all purchases, except as provided in Section 1 of this Act, for which the gross amount is estimated to exceed three hundred dollars. The division shall designate by regulation the manner, which manner may include the taking of sealed competitive bids, in which all purchases less than this amount shall be made. In all cases where the division requires competitive bidding, a record shall be kept of all quotations solicited and received.

(5) The agency shall not split or parcel purchases over a period of time for the purpose of evading competitive bidding. In any case in which purchases are so split or parceled, the agency head shall be personally liable for the amount by which the total amount purchased exceeds the amount authorized to be purchased.

(6) Invitations to bid shall be mailed at least 14 days before the day set for opening. Said invitations shall state the time and place of receiving and opening bids and any other information the division deems in the best interest of the state. Wherever possible items should be described by standard specifications. All said bids shall be made in writing and sealed and shall be opened and read publicly at the stated time. After due consideration and a reasonable time the division shall award the contract to the lowest qualified bidder, unless in the discretion of the said division no satisfactory bid had been received, in which event all bids may be rejected and new bids requested as provided by this section. Time discounts shall not be considered, except where fair trade commodities are involved.

Section 4. The Director of Purchases may negotiate directly for the purchase of contractual services, supplies, materials, or equipment in bona fide emergencies regardless of estimated costs. The existence of the emergency must be fully explained, in writing, by the head of the agency for which the purchase is to be made, and such explanation must be approved by the Commissioner of Finance. This letter and the approval shall be filed with the record of all such purchases. Where practical, standard specifications shall be followed in making emergency purchases. In any event every effort should be made to effect a competitively established price for purchases made by the State.

Section 5. (1) Purchases of less than twenty dollars, at the discretion of the Director of Purchases, may be made on the open market by cash payment from petty cash accounts set aside for that purpose. The Director of Purchases shall determine the amount of the petty cash account of each state agency, and inspect the petty cash accounts at least once each year to ensure that the total, plus amount of receipts for the unreplenished disbursements, is equal to the fixed sum of cash set aside. The Director of Purchases shall make all necessary rules and regulations governing use and replenishment of petty cash funds. An agency shall not split or parcel purchases over a period of time to evade the provisions of this section or applicable regulations. In any case in which purchases are so split or parceled the agency head is liable for the amount by which the amount expended exceeds the amount authorized to be expended. In the case of a shortage in a petty cash account, the agency head is liable for the amount of the shortage.

Section 6. (1) Any budget unit, when provided for by appropriation or when authorized by the Department of Finance, may establish one or more imprest cash funds for the purpose of making disbursements requiring prompt cash outlay, and to carry out the provisions of Section 1 (2) of this Act. The State Treasurer, upon warrants of the Department of Finance based upon a requisition from the head of the budget unit, shall pay to the head of such budget unit the amount necessary to establish such a fund.

(2) A custodian shall be designated by the head of the budget unit and certified by the Department of Finance after appropriate instruction and testing as qualified to administer the fund. The cusodian shall, as often as may be necessary to replenish the fund and at least once each month, file with the Department of Finance a schedule of the disbursements from the fund, accompanied by appropriate vouchers and statements of indebtedness therefor approved by the head of the budget unit, and by a certificate as to the condition of the fund. The amount of the total of the approved voucher shall be paid to the custodian of the fund on the warrant of the Department of Finance, and the amount shall be devoted to reimbursement of the fund. Any question relative to the amount to be allowed in any imprest cash fund, the expenditure thereof, the accounting therefor, and the repayment thereof to the State Treasurer, shall be dermined by the Department of Finance.

(3) The agency head shall be responsible for expenditures authorized from such funds, and the custodian shall be responsible for administration of the fund. Each agency head and custodian shall be separately bonded in the amount by which the total authorization for the fund exceeds the state blanket bond for such officials.

(4) A post audit of each imprest fund shall be conducted as required by KRS 43.050.

(5) Each imprest fund shall lapse with the appropriation on which it is based, but may be reestablished by appropriation for the next ensuing year or when authorized by the Department of Finance.

(6) Where work is done on public projects by the state through the use of its own personnel or facilities in whole or in part, which work is not subject to the provisions of law for competitive bidding, the budget unit having such work performed may, when authorized

by the Department of Finance, establish an imprest cash fund for the purpose of defraying the expenses of the proposed project, which fund shall not exceed at any time an amount equal to twenty-five percent of the anticipated total cost of the project.

Section 7. The Division of Purchases shall establish a program of inspection and quality control which shall include, among other things:

(1) Formal regulations regarding inspection and reporting procedures to be followed by receiving agencies, including prompt reporting to the Division of Purchases of all deviations from the quantity and quality of goods specified in the contract under which delivered;

(2) Spot checks by the Division of Purchases of deliveries to determine agency compliance and vendor performance;

(3) Verification of compensation and performance of goods to determine if they meet specifications of contract, for which purpose the division may employ testing facilities and personnel of state agencies or of federal agencies and independent testing laboratories;

(4) On-the-job training and other instruction of personnel responsible for receiving goods at the various state institutions and agencies.

Section 8. Sections 42.060, 42.070, and 45.280, and subsection (5) of 42.990 of the Kentucky Revised Statutes are repealed.

Section 9. This Act becomes effective July 1, 1964.

Senator Gardner moved that **SB 132** be withdrawn and returned to the sponsor, Senator Cobb. Agreed unanimously.

Calendar

SB 94, SB 121, SB 113 taken from the Calendar and ordered read at length for the second time. Senator Gardner moved that they be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

Reference of Bills

The Clerk announced that the following bills had been referred:

State and County Governments: **SB 125, SB 147, SB 152, HB 132**

Ways and Means: **SB 126, SB 127, SB 129, SB 131, SB 139, SB 140, SB 145, SB 150, SB 151, HB 123**

Education: **SB 128, SB 130**

Agriculture: **SB 133, SB 134, SB 135**

Administrative Agencies: **SB 136, SB 143**

Highways and Transportation: **SB 137, SB 141, HB 70**

Municipalities: **SB 138, SB 142, SB 146, SB 148, HB 100**

Revenue and Taxation: **SB 144**

Banking and Insurance: **SB 149**

Suffrage, Elections and Constitutional Amendments: **HB 22, HB 106**

Judiciary: **HB 40, HB 85**

Announcements

Senator Billington, Chairman, announced a meeting of the Committee on Ways and Means at 12:00 noon, Thursday, February 20, in Room 327.

Senator Duffy, Chairman, announced a meeting of the Committee on Administrative Agencies after adjournment on Thursday, February 20 in Room 318.

Senator Gardner moved that heSenate adjourn until 1:00 P.M., Thursday, February 20. Agreed.

THURSDAY, FEBRUARY 20, 1964

THIRTY-SIXTH LEGISLATIVE DAY

The Senate was called to order by the President.

Prayer by the Reverend James A. Shepherd of the First Methodist Church of Frankfort.

The roll was called. All present except Senator Spence, who was granted leave of absence on motion of Senator Gardner.

Reading of the Journal for February 19 dispensed with and the same approved on motion of Senator Gardner.

House Message

Announcing passage of **HB 222.**

Report on Enrolled Bills

Committee on Enrollment reported that **SB 6, SB 4** had been examined and found correctly enrolled. **SB 6, SB 4** read at length, compared, and signed in open session by the President. Ordered delivered to the House.

SB 6, SB 4 delivered, signed by the Speaker. Ordered delivered to the Governor.

Introduction of Bills

SB 163, by Senators Cobb and Derickson: AN ACT relating to conservation.

SB 164, by Senator Gay: AN ACT relating to working of county prisoners.

SB 165, by Senator Gay: AN ACT relating to prisoners.

SB 166, by Senator Gay: AN ACT relating to justices of the peace.

SB 167, by Senators Mann and Kinkead: AN ACT relating to motor vehicle operators licenses.

SB 168, by Senator Buckman: AN ACT relating to appeals in criminal cases.

SB 169, by Senators Fuqua and Garrett: AN ACT regulating the practice of surveying.

SB 170, by Senator Garrett: AN ACT relating to motor vehicles.

Report of Committees

Committee on State and County Governments reported **SB 111, SB 87, SB 84, HB 20, HB 82** with the expression of opinion that same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 111, AN ACT relating to county fire protection.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. (1) The fiscal court of any county, upon petition of seventy-five freeholders of the proposed district, may establish a county fire protection district within the county for the purpose of protecting the property and citizens of the county who reside outside of any municipality wherein a fire department is maintained. The petition shall describe the territory intended to be included in the district, and shall set out the reasons a county fire protection district is needed.

(2) When the petition is filed the court shall give notice of the filing by publication as provided in KRS Chapter 424. Within thirty days after the publication or notice, any resident of the proposed district may file objections, and the court shall set the case for hearing within ten days. If the court finds that the establishment of such district is reasonably necessary for the public health, convenience, fire protection and comfort of the residents, it shall make an order establishing the district, and designating it by name or number.

(3) If the court does not find that the district is necessary, it shall dismiss the petition. Either party may thereupon appeal to the circuit court for a retrial, and from the circuit court to the Court of Appeals as provided by law.

(4) The county fire protection district shall possess all the rights and authority provided by KRS Chapter 75.

SB 87, AN ACT relating to compensation of circuit court clerks.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 64.020(2) of the Kentucky Revised Statutes is amended to read as follows:

(2) (a) Circuit clerks shall be paid ten dollars out of the State Treasury for services rendered for the Commonwealth in each [prosecution for] *indictment or count of an indictment charging* a felony in their respective courts, except those in which the defendant is convicted only of a misdemeanor. A verified statement of such services

must first be made out by the clerk and endorsed "Examined and approved" by the regular judge and Commonwealth's attorney, and filed with the Department of Finance after the case has been taken from the docket of the court. In all cases of conviction for a felony the fee of ten dollars herein allowed shall be taxed against the defendant as costs in favor of the Commonwealth.

(b) If a felony indictment *or count of an indictment* is quashed or dismissed with leave granted to resubmit the charge to a grand jury, and a subsequent indictment is returned for the same crime, or any degree thereof consisting of a felony, the prosecution shall be deemed a continuous one for the purposes expressed in this subsection; but if no indictment is procured or returned upon resubmission before the expiration of the term after the term reciting the order of resubmission, the clerk may claim and have his fee paid immediately.

SB 84, AN ACT relating to compensation of county court clerks.

WHEREAS, since the adoption of Section 246 of the Constitution, the consumer price index has increased, and

WHEREAS, considering the increase in the consumer price index and the additional duties imposed upon the county court clerks, the compensation of the county court clerks based upon the salary limitation fixed by Section 246 of the Constitution is inadequate, and

WHEREAS, in enacting legislation increasing the compensation of county court clerks, it is the intention of the General Assembly to equate the salary of the county court clerk with the purchasing power of the dollar of 1949, when Section 246 of the Constitution was adopted, and to compensate county court clerks for the additional duties imposed upon them;

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. The county court clerk shall receive an annual salary of $9,600 to be paid solely out of the statutory fees and salaries received by him during the calendar year.

Section 2. KRS 64.345 is amended to read:

(1) The circuit clerk, [county clerk,] sheriff and jailer of each county having a population of 75,000 or over shall receive an annual salary of $7,200.

(2) The amount, if any, allowed for the necessary office expenses of each [such] officer shall be fixed by an order entered upon the order book of the circuit court and county court, and signed by

the judges or a majority thereof of *the* [said] courts. A certified copy of the order, and of any subsequent changes made therein, shall, as soon as entered, be forwarded to the Department of Finance.

(3) Each [such] officer shall, on the first day of each month, send to the Department of Finance a statement, subscribed and sworn to by him, showing the amount of money received or collected by or for him the preceding month, as fees or compensation for official duties, and shall, with such statement, send to the Department of Finance the amount so collected or received. The Department of Finance may extend the time for filing the statement and making the payment for a period not exceeding ten days in any month.

(4) The salary of each [such] officer and his deputies and assistants and his office expenses, shall be paid monthly by the State Treasurer upon the warrant of the Department of Finance made payable to the officer. If seventy-five percent of the amount paid into the State Treasury in any month by any of such officers is not sufficient to pay the salaries and expenses of his office for that month, the deficit may be made up out of the amount paid in any succeeding month, but in no event shall the amount allowed by the Department of Finance to any such officer for salaries and expenses exceed seventy-five percent of the amount paid to the Department of Finance by *the* [such] officer during his official term.

(5) The number of deputies and assistants allowed to each [such] officer and the compensation allowed to each deputy and assistant shall be fixed at reasonable amounts upon motion of each [such] officer by an order entered upon the order book of the circuit court and county court and signed by the judges or a majority thereof of said courts. A certified copy of the order, and of any subsequent changes made therein, shall, as soon as entered, be forwarded to the Department of Finance.

Section 3. KRS 64.530 is amended to read:

(1) Except as provided in subsections (2) and (3) of this section, the fiscal court of each county shall fix the compensation of every county officer and employe *except the county clerk.* For the purposes of this section, master commissioners and receivers in counties other than those containing a population of 75,000 or more, and justices of the peace and constables in all counties, shall be deemed to be county officers, and deputies or assistants of county officers shall be deemed to be county employes, but employes of county boards or commissions which are now authorized by law to fix the compensation of their employes shall not be deemed to be county employes for the purposes of this section. In the case of officers compensated from ees, or partly from fees and partly by salary, the fiscal court shall fix the maximum compensation that *any* [the] officer *except the county*

clerk may receive, from both sources, and also shall have authority to fix the number of deputies and assistants, and the compensation thereof, and the maximum amount that the officer may expend each year for expenses of his office. In the case of county officers elected by popular vote, the compensation of any such officer, and of his deputies and assistants, during the term of those in office on June 30, 1950, shall not be fixed at less than that fixed by the law in force and effect on November 1, 1949. In the case of county officers elected by popular vote, for terms commencing after June 30, 1950, the annual compensation of the officer and of his deputies and assistants shall be fixed by the fiscal court not later than the first Monday in May in the year in which such officers are elected, and shall not be changed during the term.

(2) Nothing in this section shall apply to county tax commissioners or their deputies, assistants and expenses, in any county, or to the circuit court clerk, county court clerk, sheriff, jailer, master commissioner or receiver, and their deputies, assistants and expenses, in counties having a population of 75,000 or more.

(3) Justices of the peace serving on a fiscal court in any county, and county commissioners serving on a fiscal court in any county other than one containing a city of the first, second, third or fourth class, shall be paid for their services, out of the county treasury, not to exceed fifteen dollars per day for each day of actual attendance of the meetings of the fiscal court. The fiscal court shall fix the amount to be received within the above limit, but with the exception of the terms that are being served on June 30, 1950, no change of compensation shall be effective as to any member of a fiscal court during his term of office. The compensation of county commissioners serving on fiscal courts in counties containing a city of the first, second, third or fourth class shall continue to be limited as provided in subsections (1), (2), (3) and (4) of KRS 67.110, and nothing in KRS 64.480 to 64.760 is intended to authorize any change in such compensation during the term of any member. County commissioners or justices of the peace shall not receive any compensation for their services on the fiscal court, other than as provided in this section or subsections (1), (2), (3) and (4) of KRS 67.110, nor shall they receive any compensation for serving on committees of the fiscal court.

(4) Circuit court clerks in counties other than those containing a population of 75,000 or more shall receive as compensation per year the maximum compensation allowed by law for circuit court clerks of this Commonwealth, provided fees or funds for this purpose are sufficient. The first deputy shall be allowed to receive a salary not to exceed $6600 per year; the second deputy shall be allowed to receive a salary not to exceed $5400 per year and other deputies shall be allowed to receive a salary not to exceed $4800 per year. Each

circuit clerk shall be allowed to fix the amount of the salary of each of his deputy clerks.

HB 20, AN ACT relating to abandoned cemeteries.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 381.720 is amended to read:

Whenever in the opinion of the legislative body of a city of the first, *second, third, fourth or fifth* class a cemetery located within the boundaries of such city has been abandoned and the land comprising the said cemetery is needed for a public purpose, an ordinance may be enacted declaring such cemetery, as described by metes and bounds, to be abandoned and authorizing the city attorney to institute suit for the city *or other governmental agency created by the city* in the circuit court of the county in which the city is located against the property comprising the cemetery to declare the said cemetery abandoned and to vest title thereto in the said city, *or any governmental agency created by it pursuant to or by authority of the Kentucky Revised Statutes.*

Section 2. KRS 381.730 is amended to read:

Upon the filing of the complaint the city *or other governmental agency created by the city* shall give notice thereof *by publication pursuant to KRS Chapter 424.* [by publishing for five consecutive days in the newspaper having the largest circulation in the county in which the city is located a notice describing the property and the purpose of the said suit.]

Section 3. KRS 381.740 is amended to read:

Within thirty days after the last advertisement, any party having a claim to the cemetery or any lot therein or to the mortal remains of a person interred therein, may file his claim in the said proceeding for damages as compensation for the value of his interest in the cemetery or lot to which he has claim. Upon the filing of the aforesaid claim the circuit court shall appoint as commissioners three impartial housekeepers who are owners of land. They shall be sworn to faithfully and impartially discharge their duties. The commissioners shall view the land involved and they may hear evidence or make any inquiry they desire touching the value thereof and award to the claimants who are owners thereof the value of the property taken. They shall return a written report to the office of the clerk of the circuit court describing separately the property which is the subject of each claim. Either the claimant or the *complainant* [city] may file exceptions to this report and demand a jury trial. The commissioners shall be allowed a reasonable fee which shall be taxed as cost.

Section 4. KRS 381.750 is amended to read:

If no claim is made within thirty days after the last advertisement, or if claims have been made and compensation duly paid either to the claimants or into court, the court shall declare the cemetery to be abandoned and enter judgment accordingly, vesting fee simple title in the *complainant* [city of the first class]. Thereafter claimants shall have thirty days in which to remove the mortal remains and monuments from lots to which they have been adjudged to have claim, the reasonable cost thereof to be paid by the *claimant* [city]. If, within thirty days after entry of judgment said remains have not been removed by the claimants thereto, it shall be the duty of such *complainant* [such city], through its proper officers, to pay for the removal of the monument and the disinterment, removal, and the re-interment of such body, or bodies, in such other cemetery in the county in which said city is located as the protesting lot owner may designate, or if no designation be made, to another suitable cemetery in the county.

Section 5. KRS 381.760 is amended to read:

The cost of the proceeding shall be borne by the *complainant* [city], and the burden of proof shall be upon the claimant to establish his interest and to establish that it has not been abandoned.

Section 6. Whereas delay in obtaining title to property is causing a distinct disadvantage in urban renewal programs, an emergency is declared to exist, and this Act becomes effective upon its passage and approval of the Governor.

HB 82, AN ACT relating to condemnation of property.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 56.060 is amended to read as follows:

All deeds and judgments conveying to or vesting in the State any land or interest in land shall be recorded in the office of the county clerk of the county where the land or the greater part of it lies, *and they shall contain a description by metes and bounds of such land.* The county clerk shall endorse on the deed the Deed Book and page number and county where he has recorded it, as follows: "Recorded in Deed Book --------, Page --------, ------------ County Court Clerk's Office." He shall then immediately transmit the deed and his certificate of record to the Secretary of State.

Section 2. The Department of Highways shall cause to be recorded in the office of the county clerk plats of all property condemned within the county. The plats shall contain, a map of the surrounding territory sufficient to identify the condemned land. The designation of the boundaries in the plat shall be by metes and bounds and the condemned land shall be identifiable from the descriptions contained in the deeds to the properties from which the land is taken.

Committee on Executive and Legislative Affairs reported **SB 71**, with the expression of opinion that same should not pass.

Committee on Executive and Legislative Affairs reported **HB 76, SB 93** with the expression of opinion that same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 76, AN ACT relating to the management, maintenance, and operation of the Executive Mansion and the Old Governor's Mansion, and declaring an emergency.

WHEREAS, the Governor's Mansion and the Old Governor's Mansion are owned, operated, and maintained by the Commonwealth; and

WHEREAS, the Governor and Lieutenant Governor in their official capacities are required to entertain extensively in behalf of the Commonwealth, particularly in the interest of furthering the industrial, tourist, and other economic development of the Commonwealth; and

WHEREAS, it is to the interest of the Commonwealth that these Mansions should be maintained and operated in a fashion which will reflect favorably on the reputation of the Commonwealth for gracious hospitality; and

WHEREAS, such operation and maintenance of the Mansions should be accomplished in an orderly and efficient manner; and

WHEREAS, the Department of Finance has been delegated the responsibilty of managing, maintaining, and operating these Mansions:

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 42.035 of the Kentucky Revised Statutes is amended to read as follows:

(1) The Department of Finance shall be responsible for the management, maintenance, and operation, *including the purchase for all purposes of all food and related supplies,* of the Executive Mansion, *and further including the reasonable and necessary expenses of the Chief Executive while traveling on business of the Commonwealth outside of the State.* Such personnel, *including domestic and household servants,* as are necessary for the operation and maintenance of the Executive Mansion shall be employed by the Department of Finance.

The provisions of KRS Chapter 42 shall apply to all purchases made for the maintenance and operation of the Mansion. None of the provisions of KRS 18.210 and 18.220 shall apply to personnel employed *for the maintenance and operation of* [to maintain and operate] the Mansion.

(2) A reasonable amount shall be deducted from the salary or other allowance of the Governor for the consumption by the Governor and his family of such food and supplies.

(3) A reasonable amount shall be deducted from the salaries of personnel employed in operational and maintenance functions, including domestic and household servants, for the consumption by such personnel of such food and supplies.

(4) The Department of Finance shall maintain such records relative to the management, maintenance, and operation of the Governor's Mansion and travel expenses of the Chief Executive as may be dictated by sound accounting practices.

Section 2. Section 56.325 of the Kentucky Revised Statutes is amended to read as follows:

(1) The Department of Finance shall be responsible for the management, maintenance, and operation, including the purchase for all purposes of all food and related supplies, of the Old Governor's Mansion. Such personnel, including domestic and household servants, as are necessary for the operation and maintenance of the Old Governor's Mansion shall be employed by the Department of Finance. The provisions of KRS Chapter 42 shall apply to all purchases made for the maintenance and operation of the Old Governor's Mansion. None of the provisions of KRS 18.210 and 18.220 shall apply to the personnel employed for the maintenance and operation of the Old Governor's Mansion.

(2) A reasonable amount shall be deducted from the salary or other allowance of the Lieutenant Governor for the consumption by the Lieutenant Governor and his family of such food and supplies.

(3) A reasonable amount shall be deducted from the salaries of personnel employed in operational and maintenance functions, including domestic and household servants, for the consumption by such personnel of such food and supplies.

(4) The Department of Finance shall maintain such records relative to the management, maintenance, and operation of the Lieutenant Governor's Mansion as may be dictated by sound accounting practices. [The Lieutenant Governor shall be responsible for the management, maintenance, and operation of the Old Governor's Mansion. This shall include the employment of such personnel as is provided by appropriation.]

Section 3. WHEREAS, the present law is not clear as to the management, maintenance, and operation of the Executive Mansion and the Old Governor's Mansion, and indeed, some doubt as to legality and even criticism has been and may be manifested concerning the management, maintenance, and operation of these facilities, an emergency is declared to exist and this Act shall become effective upon its passage and approval by the Governor.

SB 93, AN ACT relating to the printing of the Acts and Journals.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 57.140 is amended to read:

(1) *Four* [Three] hundred copies of the journal of each house of the General Assembly, and *one thousand five hundred* [two thousand] copies of the Acts of the General Assembly shall be printed.

(2) The Superintendent of Public Instruction shall have printed by the contractor for state printing the following number of copies of the biennial report of the State Board of Education: One copy for each school district, one for each superintendent of schools, seven hundred and fifty copies for the General Assembly and for exchange with superintendents of other states, and five hundred copies for general distribution.

(3) The Commissioner of Agriculture shall have printed not more than five thousand copies of his biennial report for the General Assembly and for general distribution.

(4) Not more than one thousand copies of the report of the State Treasurer, three hundred copies of the report of the Adjutant General, five hundred copies of the report of the trustees of the University of Kentucky and five hundred copies of the annual reports of the Railroad Commission shall be printed.

(5) Subject to the provisions of subsection (2) and to the maximum limits prescribed in subsections (3) and (4) of this section, the Department of Finance shall determine what parts, if any, of the annual and biennial reports of constitutional administrative departments, and independent agencies, as defined in KRS 12.020, and how many copies of such reports, shall be printed and distributed at public expense.

(6) The Department of Finance may determine the number of copies of any work to be printed or bound where the number or the method of fixing the number is not provided for by statute. If any work is ordered printed, and no number of copies is specified by statute or by the contract or order for printing, only two hundred copies shall be printed.

(7) The Acts, the journals of each house of the General Assembly, and the report of the Commissioner of Agriculture shall be bound. All other printed matter shall be only stitched, unless otherwise specially ordered.

Section 2. KRS 57.170 is amended to read:

The *Legislative Research Commission* [contractor for state printing of the first class] shall prepare indexes to the Acts of the General Assembly and the journals of the Senate and House, and have the Acts proofread by the enrolled bills. If any section of *the KRS* [this Revision] or of the *Rules* [Codes] of Practice is amended or repealed by any Act, the *Commission* [printer] shall refer to the section number affected. [He shall receive for his work under this section such pay as is allowed by the Department of Finance. The clerks of the respective houses shall prepare all necessary sidenotes for the Acts.]

Committee on Agriculture and State Fair reported **SB 63** with the expression of opinion that same should not pass.

Committee on Agriculture and State Fair reported **SB 135, SB 134, SB 133** with the expression of opinion that same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 135, AN ACT relating to conservation of natural resources.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 262.010 of the Kentucky Revised Statutes is amended to read as follows:

As used in this chapter, unless the context requires otherwise:

(1) "Board" means the board of supervisors of a district;

(2) "Committee" means the State Soil Conservation Committee;

(3) "District" means a soil conservation district organized under KRS 262.100 to 262.180;

(4) "Due notice" means notice published at least twice, with an interval of at least six days between the two publication dates, in a publication of general circulation be available, notice posted at a reasonable number of conspicuous places within the appropriate area. That posting shall include, where possible, posting at public places where it is customary to post notices concerning county or municipal affairs generally. At any hearing held pursuant to due notice, adjournment may be made from time to time without the necessity of renewing the notice for the adjourned dates;

(5) "Land occupier" or "occupier of land" includes any person other than the owner who holds title to or is in possession of, any lands lying within a district, whether as lessee or otherwise;

(6) "Landowner" or "owner of land" includes any person who holds legal or *equitable title as shown by his, her or their names appearing on the recorded deed* to any lands lying within a district. *In case of infant heirs, their guardian or whoever has power of attorney can vote for them;* and

(7) "Supervisor" means one of the members of the governing body of a district.

Section 2. Section 262.700 of the Kentucky Revised Statutes is amended to read as follows:

Subdistricts of a Soil Conservation District may be formed in a watershed area, as provided in KRS 262.700 to 262.795, to be known as Watershed Conservancy Districts, for the purpose of developing and executing plans and programs relating to any phase of conservation of water, water usage, flood prevention, flood control, erosion prevention and control of erosion, floodwater and sediment damages. *As a subdistrict of a Soil Conservation District, a Watershed Conservancy District shall constitute a governmental subdivision of the state and a public body corporate and politic exercising public power.*

Section 3. Section 262.705 of the Kentucky Revised Statutes is amended to read as follows:

The land area embraced in such districts must be continguous and must lie within a well defined watershed. The area shall not include lands located within the boundary of any incorporated city or town, *or* lands not included within a soil conservation district *unless such lands are brought in the boundaries of a soil conservation district through the process of petition, hearing, and referendum as prescribed in KRS 262.100, 262.110, and 262.12. The area shall not include lands embraced within another watershed conservancy district, but may include* lands lying in one or more soil conservation districts. [or lands embraced within another water conservancy districts. Such districts may embrace]

Section 4. Section 262.740 of the Kentucky Revised Statutes is amended to read as follows:

(1) Within thirty days after a Watershed Conservancy District is created, nominating petitions may be filed with the board of supervisors for the election of a board of directors consisting of five members, who shall hold office for a term of four years. Such board of directors shall, under the supervision of the board supervisors, be the governing body of the watershed conservancy district. The board of supervisors shall give due notice of the election of directors and shall, as nearly as practicable, conduct the election in the manner prescribed by KRS 262.220.

(2) If the territory embraced within a watershed conservancy

district lies within more than one soil conservation district, each of said additional districts with minority of the land involved in the watershed shall be entitled to elect three additional directors.

(3) The board of directors shall annually elect from its membership a chairman, secretary, and treasurer. The treasurer shall execute an official bond for the faithful performance of the duties of his office to be approved by the board of directors. Such bond shall be executed with at least three solvent personal sureties whose solvency must exceed the amount of the bond, or by a surety company authorized to do business in this state, and shall be in an amount determined by the board of directors. If the treasurer is required to execute a surety company bond, the premium on the bond shall be paid by the board of directors.

(4) Each person desiring to be a director of a watershed conservancy district shall file a nominating petition with the board of supervisors *of the county in which he is a landowner and legal resident,* signed by twenty-five or more landowners within the watershed conservancy district of the county involved, or, if less than fifty landowners are involved a majority of such landowners. Nominating petitions for the election of any director following the first election of members of the board after creation of the district shall be filed with the board of supervisors not less than forty-five days prior to the day of the regular election. If the candidates nominated do not exceed the positions available, they shall be declared elected. No person shall be eligible to be a director of a watershed conservancy district who is not a landowner *within the watershed and resident of the county in which the watershed is located.* [in the district in which he seeks election]

Section 5. Section 262.745 of the Kentucky Revised Statutes is amended to read as follows:

Subject to the approval of the board of supervisors, the board of directors of a watershed conservancy district shall have power to:

(1) Levy an annual tax on the real property within the district within the limitations provided in KRS 262.760 for administration, construction, operation and maintenance of works of improvement within the district;

(2) Acquire by purchase, gift, grant, bequest, devise or through condenmnation proceedings in the manner provided in *KRS 104.170* [KRS 416.010 to 416.080] such lands or rights of way as are necessary for the exercise of any authorized function of the district, and for such purpose, may cause examinations and surveys to be made of any lands or rights of way necessary for the performance of any authorized function of the district.

(3) Construct, improve, operate and maintain such structures

as may be necessary for the performance of any function authorized by KRS 262.700 to 262.795;

(4) Borrow such money as is necessary for the purpose of acquiring rights of way and establishing, constructing, reconstructing, repairing, enlarging and maintaining such structures and improvements as are required by the district in the performance of its functions, and issue, negotiate and sell its bonds as provided in KRS 262.750.

Section 6. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) Ten years subsequent to the organization of a Watershed Conservancy District a majority of the landowners within the district may file a petition with the board of supervisors praying that the existence of the district be discontinued. The petition shall state the reason for discontinuance and that all obligations of the district have been met;

(2) After giving due notice as defined in KRS 262.010 (4), the board of supervisors shall conduct a hearing on the petition for the purpose of determining whether the reasons given for discontinuance are valid and that all obligations have been met. Obligations shall include written agreements and contracts officially entered into by the district and any duty imposed upon the district by law;

(3) If evidence presented during the hearing, as determined by the board of supervisors, reveals that all obligations have not been met, the petition for discontinuance shall be denied. If it is determined that all obligations have been met, the supervisor shall, within 60 days, hold a referendum as provided in KRS 262.750.

Section 7. Section 262.715 of the Kentucky Revised Statutes is amended to read as follows:

If the proposed watershed conservancy district lies in more than one soil conservation district, the petition may be presented to the board of supervisors of any one of such districts and the supervisors of all such districts shall act as a joint board of supervisors in the formation and supervision of such a watershed conservancy district *except in the election of directors where each soil conservation district board of supervisors shall supervise the election, or appointments to fill vacancies, of directors to represent their district on the conservancy district board of directors.*

Section 8. Section 262.720 of the Kentucky Revised Statutes is amended to read as follows:

(1) Within thirty days after such petition has been filed with the board of supervisors, it shall cause due notice to be given as pro-

vided in KRS 262.010 (4) of the hearing upon the practicability and feasibility of creating such subdistrict. All interested parties shall have the right to attend such hearing and be heard. If it shall appear at the hearing that other lands should be included or that lands included in the petition should be excluded, the board of supervisors may permit such inclusion or exclusion, provided the land area involved still meets the requirements of KRS 262.705.

(2) If it appears upon the hearing that it may be desirable to include within the proposed district, territory outside of the area within which due notice of the hearing has been given, the hearing shall be adjourned and due notice of a further hearing shall be given throughout the entire area considered for inclusion in the district and a further hearing shall be held. After final hearing, if the board of supervisors determines, upon the facts presented at the hearing and upon other available information, that there is need, in the interest of the public health, safety and welfare for such a district to function in the territory considered, it shall make and record the determination and shall define, by metes and bounds, or by *recognizable terrain features and description,* [legal subdivisions,] the boundaries of the watershed district.

(3) If the board determines after the hearing that it is not feasible for such district to function in the territory considered, it shall make and record the determination and shall deny the petition.

Section 9. Section 262.730 of the Kentucky Revised Statutes is amended to read as follows:

The question to be voted on shall be submitted by ballots upon which appear the words:

"For creation of______________Watershed Conservancy District"

"Against creation of___________Watershed Conservancy District"

A square shall follow each proposition. The ballot shall also contain a direction to insert an "X" mark in the square following one or the other of the propositions, as the voter may favor or oppose creation of the district. The ballot shall set forth the boundaries of the proposed district as determined by the board of supervisors. Only owners of lands lying within the boundaries of the territory, as determined by *name appearing on deeds to their lands,* [such board] shall be eligible to vote in the referendum. Qualified voters may vote by absentee ballot in such referendum under rules *set out in KRS Chapter 126.* [and regulations prescribed by the board of supervisors].

Section 10. Section 262.775 of the Kentucky Revised Statutes is amended to read as follows:

Tax funds collected shall be transferred to and held by the treasurer of the watershed conservancy district for the specific purpose for which they have been collected. All expenditures of such funds shall be made by the board of directors upon order of the board, [approved by the board of supervisors of the soil conservation district or districts involved.]

Section 12. Section 262.790 of the Kentucky Revised Statutes is repealed.

SB 134, AN ACT relating to soil and water conservation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. As used in this Act,

(1) "Project" means the acquisition by a watershed conservancy district of easements, rights of way or land by purchase or condemnation in order to enable the district to construct and maintain flood control structures or institute other beneficial flood control measures.

(2) "Cost" means the cost of land, easements or rights of way necessary for a project, and every expense connected with a project and accompanying bond issues, including engineers' fees, attorney fees, publication of resolutions and notices, printing of bonds, interest which will accrue on the bonds until the due date of the first annual assessment levied in connection therewith the fee of a fiscal agent for advice as to the preparation and marketing of the bonds, and other costs of financing, as well as reasonable allowance for unforeseen contingencies.

(3) "Benefited land" means land located within a flood plain area, as determined by the board of directors of a watershed conservancy district, which will derive direct benefits from a flood control project of the district.

Section 2. In the event the income derived by a watershed conservancy district by taxation as provided by KRS 262.745 (2) and 262.760 shall prove inadequate to carry out the approved program of the district, or constitutional limitations on indebtedness do not permit the borrowing of funds by the district as authorized by KRS 262.745 (4) and 262.750, a special assessment may be voted and bonds issued which shall be payable solely from the collection of such assessments, as provided in the following sections of this Act.

Section 3. (1) Upon determination by the board of directors of a watershed conservancy district that a watershed project is necessary, and upon approval of the plans for same by the board of supervisors, the board of directors shall adopt a resolution which shall set out: (1) a description of the project in general terms, (2) a list of the benefited lands located in the flood plain, as determined by the board of directors, giving the acreage of such lands and the names of the owners thereof as defined by KRS 262.010 (6) with a classification of such lands or parts thereof into classes in order that assessments may be made according to direct benefits, (3) the total cost of the project, and (4) the fact that he cost shall be met by a bond issue payable solely from annual assessments to be levied upon the lands set out in the resolution on the basis of a certain amount per acre according to benefits received, not to exceed in any one year a sum per acre specified in the resolution, with the annual assessments to extend over a period of years specified in the resolution not to exceed thirty years.

(2) The board of directors shall cause due notice of the resolution to be given, either by publishing the resolution as provided in KRS 262.010 (4) or by mailing copies of the resolution to all the owners of benefited lands, as determined by the board. Said notice shall set out the time and place of a meeting of the board of directors of the watershed conservancy district at which owners of benefited lands who may be liable for the annual assessments may be heard.

(3) At the hearing upon the resolution owners of benefited lands may voice their views concerning the proposed project as to whether said project should be undertaken, and the scope thereof, or the propriety of placing their lands in the project area or the degree of benefit received by their lands. The board shall prepare a record summarizing the proceedings. If the board of directors determines as a result of the hearing that the project should be carried out as planned it may make such changes or revisions in the resolution as it deems proper and shall give due notice of an election to be held at which benefited landowners may vote on the question of annual special assessments to defray the cost of the project. The notice of the election shall include the text of the resolution of the board in its final form. The board of directors may give due notice as provided in KRS 262.010 (4) or by registered mail addressed to each owner of benefited land.

(4) The board of directors shall prepare official ballots to be used in the election which shall state the question: "Should the assessment proposed by resolution of the ____________ Watershed Conservancy District be adopted?" Squares indicating a yes and a no answer should follow the question, with a direction to insert an "x" mark in the square favored. Only owners of benefited land as set out in the resolution shall be eligible to vote. The board of directors may provide for a meeting of the landowners at which the vote may be cast, in which case qualified voters may vote by absentee ballot, or may distribute ballots by registered mail to all eligible landowners. The board shall appoint a polling superintendent and other necessary

election officers, giving representation to the opponents of the question as well as to proponents.

(5) If a majority of those voting upon the proposition favor the assessment the board shall give due notice of the vote and the fact that bonds will forthwith be issued payable from special assessments. Any owner of property to be benefited by the project may, within forty days after publication of such notice, file an action in the circuit court of the county in which his lands are located seeking relief by declaratory judgment or injunction. If a suit is filed the county attorney should represent the board of directors in up-holding the validity of the proposed bond issue. After the lapse of time specified herein all actions by owners of properties to be benefited shall be forever barred.

Section 4. If no suit is filed and no injunction issued within the time allowed in subsection 5 of Section 3 of this act the board of directors shall by resolution authorize the issuance of bonds designated "Watershed Project Assessment Bonds," determining the principal amount thereof and establishing the denominations and maturity dates thereof and shall levy an annual assessment effective only upon the benefited properties and based on the acreage thereof. The annual rate of such assessments shall be fixed when other taxes of the district are levied and shall be sufficient in each year to provide for the payment of such bonds and interest coupons as they mature and sufficient to provide a fund equal to twenty percent of the average annual principal and interest requirements, the same to constitute a "debt service reserve" as a precaution against possible default by failure to collect annual levies. The bonds shall state on their face that they do not constitute a debt of the district but are payable solely from collection of special assessments made upon benefited lands lying in the watershed conservancy district.

Section 5. The annual assessments shall be made by the board of directors at the same time and in the same manner as provided in KRS 262.765 for taxes generally and shall be collected as provided in KRS 262.770. The assessments shall constitute liens against the land benefited and shall attach to the land, taking precedence over all other liens except state, county and municipal taxes and prior improvement assessments.

SB 133, AN ACT relating to administrative organization.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 12.020 is amended to read:

Departments and the respective administrative bodies that they include are enumerated in this section. It is not intended that the enumeration of administrative bodies be all-inclusive.

I. Departments headed by elected officers.
  1. The Governor.
  2. Lieutenant Governor.
  3. Department of State.
    (a) Board of Elections.
  4. Department of Law.
  5. Department of the Treasury.
  6. Department of Agriculture.
    (a) State Board of Agriculture.
    (b) Milk Marketing and Antimonopoly Commission.
    (c) Egg Marketing Advisory Board.
    (d) Johnson Grass Control Advisory Board.
    (e) State Dog Law Committee.
    (f) Termite and Pest Control Examining Board.
  7. Department of Education.
    (a) State Board of Education.
    (b) School for the Deaf Advisory Board.
    (c) Council on Public Higher Education.
    (d) State Textbood Commission.
    (e) Kentucky Public School Authority.
    (f) Governor's Conference on Education.
    (g) School for the Blind Advisory Committee.
  8. Auditor of Public Accounts.
  9. Railroad Commission.

II. Departments headed by appointed officers:
  1. Department of Corrections.
    (a) Parole Board.
  2. Department of Commerce.
    (a) Economic Development Commission.
    (b) Resources, Research and Development Advisory Committee.
  3. Department of Highways.
  4. Department of Labor.
    (a) Workman's Compensation Board.
    (b) Board of Claims.
    (c) Prevailing Wage Board.
    (d) Kentucky Industrial Safety Board.
    (e) Kentucky Apprenticeship Council.
  5. Department of Libraries.
    (a) State Board for the Certification of Librarians.
  6. Department of Public Safety.
    (a) Public Safety Advisory Committee.
    (b) State Police Personnel Board.

7. Department of Alcoholic Beverage Control.
   (a) Alcoholic Beverage Control Board.
8. Department of Banking and Securities.
   (a) Securities Advisory Committee.
9. Department of Insurance.
   (a) Custodian of Insurance Securities.
10. Department of Motor Transportation.
    (a) General Advisory Committee for Motor Vehicle Dealers.
11. Public Service Commission.
12. Department of Finance.
    (a) State Property and Buildings Commission.
    (b) County Debt Commission.
    (c) State Archives and Records Commission.
    (d) Capitol Planning and Zoning Commission.
    (e) Board of Zoning Adjustment and Appeals.
13. Department of Personnel.
    (a) Personnel Board.
14. Department of Public Information.
15. Department of Revenue.
16. Department of Child Welfare.
    (a) Kentucky Children's Advisory Council.
17. Department of Economic Security.
    (a) Public Assistance Appeals Board.
    (b) Advisory Council for Medical Assistance.
    (c) Unemployment Insurance Commission.
    (d) State Employment Security Advisory Council.
    (e) Commission for Employment of the Physically Handicapped.
    (f) Employes' Retirement System Board of Trustees.
18. Commission for Handicapped Children.
19. Department of Health.
    (a) State Board of Health.
    (b) Water Pollution Control Commission.
    (c) Kentucky Commission on Alcoholism.
20. Department of Mental Health.
    (a) Advisory Council on Mental Health.
    (b) Advisory Council on Mental Retardation.
21. Tuberculosis Hospital Commission.
22. Department of Parks.
    (a) Parks Board.
    (b) Breaks Interstate Park Commission.
23. Department of *Natural Resources* (Conservation).
    (a) Flood Control and Water Usage Board.
    (b) Soil and Water Resources Commission.
    (c) Strip Mining and Reclamation Commission.
    (d) Advisory Committee on Strip Mining and Reclamation.
    (e) Ohio River Valley Water Sanitation Commission.

    (f) Interstate Water Sanitation Board.
24. Department of Mines and Minerals.
    (a) Mines and Minerals Board of Examiners.
25. Department of Aeronautics.
26. Department of Military Affairs.
    (a) Kentucky Disabled Ex-Servicemen's Board.

Section 2. In order to represent the text of statute sections amended by Section 1, the Revisor of Statues shall, in subsequent editions of the Kentucky Revised Statutes, substitute for the words "Department of Conservation" wherever they appear, the words "Deparment of Natural Resources."

Committee on Ways and Means reported **SB 25** with the expression of opinion that same should pass, with the Committee Amendment attached thereto. Read at length for the first time and ordered placed in the Calendar.

SB 25, AN ACT relating to search warrants.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. No automobile may be searched without a search warrant.

Said Committee Amendment to **SB 25** is as follows:

Amend printed copy of Senate Bill No. 25 on page 1, line 2, by: Deleting the period "." and adding the following:

"upon a charge which is a misdemeanor or upon a traffic violation citation only. Nothing in this Act shall be construed to interfere with the search of any motor vehicle upon the rights of search in felony cases, or upon informaion that a felony has been committed or about to be committed or upon a felony committed in the presence of an officer."

Committee on Ways and Means reported **SB 119** with the expression of opinion that same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 119, AN ACT relating to actions for libel and slander against newspapers.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. (1) In any action for damages for the publication of a defamatory statement in a daily or other newspaper the defendant shall be liable for actual damages sustained by plaintiff. The defendant may plead the publication of a correction in mitigation of damages. Punitive damages may be recovered only if the plaintiff shall allege and prove publication with legal malice and that the daily or other newspaper failed to make conspicuous and timely publication of a correction after receiving a sufficient demand for correction.

(2) A "sufficient demand for correction" is a demand for correction which is in writing; which is signed by the plaintiff or his duly authorized attorney or agent; which specifies the statement or statements claimed to be false and defamatory, states wherein they are false, and sets forth the facts; and which is delivered to the defendant prior to the commencement of the action.

(3) A "correction" is either (a) the publication of an acknowledgment that the statement or statements specified as false and defamaory in the plaintiff's demand for correction are erroneous, or (b) the publication, in a fair and impartial manner as a matter of law, of the plaintiff's statement of the facts (as set forth in his demand for correction) or a fair summary thereof, exclusive of any portions thereof which are defamatory of another, obscene, or otherwise improper for publication. If the demand for correction has specified two or more statements as false and defamatory, the correction may deal with some of such statements pursuant to (a) above and with other of such statements pursuant to (b) above.

(4) A "conspicuous publicaion" in a newspaper is a publication which is printed in substantially as conspicuous a manner as the statement or statements specified as false and defamatory in the demand for correction.

(5) A "timely publication" in a daily newspaper is a publication within three business days after the day on which a sufficient demand for correction is received by the defendant. A "timely publication" in a newspaper other than a daily newspaper is a publication in or prior to the next regular issue which is published not less than three business days after the day on which a sufficient demand for correction is received by the defendant.

Section 2. KRS 411.050 is repealed.

Committee on Education reported **SB 76, SB 75, SB 105** with the expression of opinion that same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 76, AN ACT relating to education.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. (1) Substitute teachers shall be certified by the

Board of Eduation in the same manner as regular teachers. Their compensation shall be equivalent to that of regular teachers with the same certification, except that substitute teachers shall be paid only on a daily basis for the time actually engaged in teaching.

(2) Substitute teachers shall be paid out of the general fund of the district board of education. The state shall reimburse each district board of education for compensation paid to substitute teachers, such reimbursement not to exceed four hundred substitute teaching days in any district.

(3) As used herein, "substitute teaching day" means a day on which a substitute teacher teaches in a school. There may be one or more "substitute teaching days" in any district on any calendar day.

SB 75, AN ACT relating to teachers.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Each school district shall pay the salary of teachers for twelve months each year.

SB 105, AN ACT relating to Public Higher Education.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 164.027 is amended to read:

(1) The Council on Public Higher Education shall have authority to provide for a program of occupational qualification development in the Commonwealth. The program may be provided for by contract with any recognized and accredited municipal junior college located within the Commonwealth. Such contract shall provide that the college shall admit to its course of instruction, up to such percentage of its full teaching capacity as may be fixed by contract, residents of the Commonwealth who make application to pursue the course of study of such college; provided however, that such persons shall be certified to the Council as to status of residency by the State Superintendent of Public Instruction and shall be eligible for admission to said junior college.

(2) The Council on Public Higher Education shall pay to the college not more than *$200* [$100] per school year for each such student enrolled. Such payments shall be additional to the annual tuition fees paid by each such student. The Council shall have authority to provide by contract that it pay the expense of specific research projects or programs conducted by the college. The Council shall make an annual report of its occupational qualification development program after June 30 of each year, including an accounting of all moneys

received and disbursed. The council shall have no authority to incur any obligation in excess of the sums that have been appropriated to it.

Committee on Education reported **SB 44** with the expression of opinion that same should pass by way of Committee Substitute. Committee Substitute to **SB 44** read at lengh for the first time and ordered placed in the Calendar.

SB 44, AN ACT relating to education.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 158.060 is amended to read:

Twenty school days, or days in which teachers are actually employed in the school room, shall constitute a school month in the common schools. [The] Legal holidays designated by the State Board of Education *pursuant to KRS 158.070* to be observed *and not to exceed ten days which are declared calamity days pursuant to KRS 158.070 subsection (2)* shall be counted as school days *for the purpose of determining the number of days in which teachers are employed and in calculating the average daily attendance under the foundation program as defined in KRS 157.310.* No teacher shall teach on Saturdays except in cases of emergency and then only upon authorization of the State Board of Education. Six hours of actual school work shall constitute a school day. The daily session, including recesses and intermissions, shall not exceed nine hours. A pupil who is absent, excused or dismissed from any regularly scheduled class to attend not more than four field trips in a school term may be considered in attendance on those days, if the field trip is part of a regularly scheduled class; provided, however, that upon application of any district superintendent, the Superintendent of Public Instruction or the State Board of Education may, if sufficient cause be shown, grant authority to use an additional day or days for special field trips or exceptional events.

Section 2. KRS 158.070 is amended to read:

(1) The minimum school term shall be one hundred eighty-five days. The Superintendent of Public Instruction, upon the approval of the State Board of Education, may extend the minimum term to ten months when the resources of the school fund or contributions by local taxation justify the extension, but no extension shall be made if it reduces the salaries of the teachers below the minimum fixed by law. A board of education may extend its terms beyond the minimum term set by the Superintendent of Public Instruction.

(2) The board of education of any school district may use no more than four days of the minimum school term for holidays, three days for in-service training and professional work, [and] three days

for attendance at state and district meetings of professional education associations, *and not more than ten days when the board or in cases of emergency, the school superintendent of the county, deems it necessary to close the schools because of disease, epidemic, temporary circumstances rendering the school building unfit for school use, or other public calamity.* [The State Board of Education, upon recommendation of the Superintendent of Public Instruction, shall adopt regulations governing the use of school days.]

Section 3. Nothing in this Act shall authorize schools qualifying for accreditation by the Southern Association of Colleges and Schools to reduce the minimum number of school days required for accreditation by the Association.

Section 4. WHEREAS, severe weather during this winter has created hazardous conditions necessitating the closing of schools an unanticipated number of times, an emergency is declared to exist, and this Act shall become effective upon its passage and approval by the Governor.

Committee on Education reported **SB 53** with the expression of opinion that same should pass with the Committee Amendment attached thereto. Read at length for the first time and ordered placed in the Calendar.

SB 53, AN ACT relating to public education.

WHEREAS, KRS 157.310 declares that the intent in enacting foundation program legislation is to assure substantially equal public school opportunities for those children in attendance in the public schools of the Commonwealth; and

WHEREAS, such equal opportunities are deprived children who reside within school districts where the rapid and excessive rate of pupil increase results in an extreme shortage of adequate classroom space; and

WHEREAS, the shortage of classrooms thus caused results in the necessity of scheduling two or more academic days into one calendar day, a situation commonly referred to as "double sessions"; and

WHEREAS, the present foundation program does not provide adequate means for the emergency capital construction necessary to eliminate this academic travesty;

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 157.390 is amended to read:

(1) (a) The Superintendent of Public Instruction, under regulations of the State Board of Education, shall classify teachers in rank as follows:

Rank I. Those holding regular certificates and who have a master's degree and who have earned thirty semester hours of additional approved graduate work, and those teachers who, as of September 1, 1962, were included in Rank I, having earned twenty-four semester hours of additional approved graduate work.

Rank II. Those holding regular certificates and who have a master's degree or its equivalent.

Rank III. Those holding regular certificates and who have an approved four-year college degree or the equivalent.

Rank IV. Those holding certificates and who have ninety-six to one hundred and twenty-eight semester hours of approved college training or the equivalent; provided, however, that persons holding emergency certificates shall not be classified higher than this rank.

Rank V. Those holding certificates and who have sixty-four to ninety-five semester hours of approved college training or the equivalent.

Rank VI. Those holding certificates and who have thirty-two to sixty-three semester hours of approved college training or the equivalent; provided, however, that effective July 1, 1965, no teacher in Rank VI shall be included in calculating the amount to be included in the foundation program of a district for teachers' salaries, unless the teacher holds a life certificate.

Rank VII. Those holding certificates and who have fewer than thirty-two semester hours of approved college training or the equivalent; provided, however, that effective July 1, 1964, no teacher in Rank VII shall be included in calculating the amount to be included in the foundation program of a district for teachers' salaries.

(b) In determining ranks, the Superintendent of Public Instruction, under regulations of the State Board of Education, shall classify teachers who hold valid certificates in the respective ranks according to approved college semester hours of credit. The Superintendent of Public Instruction, in defining preparation for certain types of vocational teachers as equivalent to college training, shall give consideration to apprenticeship training and industries experience.

(2) Begining with the school year 1961-62, the amount to be included in the foundation program of a district for teachers' salaries shall be determined by multiplying the number of teachers in each

rank, not to exceed the number of classroom units allowed, by the amount set forth in the following allotment schedule for each rank:

Rank I	$4600
Rank II	4300
Rank III	4000
Rank IV	2900
Rank V	2600
Rank VI	2200
Rank VII	1900

Provided, the amount to be included for vocational units, supervisory units, and units for administrators, directors of pupil personnel and special instructional services shall be increased proportionately if the personnel for such units are employed for longer than the regular school term and such employment is approved by the superintendent of Public Instruction under regulations of the State Board of Education. Where the actual number of teachers employed by the district varies from the number allowed under the provisions of KRS 157.310 to 157.440, the number to be included in each rank shall be in the same ratio that the number of teachers actually in each rank is to the total number of teachers employed.

(3) The amount to be included in the foundation program for other current expenses shall be determined by multiplying the number of classroom units by nine hundred dollars.

(4) The amount to be included in the foundation program for other current expenses shall be determined by multiplying the number of classroom units by six hundred dollars. *For emergency capital construction, the amount to be included in the foundation program allotment of any requesting district shall be determined as follows:*

(a) On or before December 31 of any school year, the school superintendent of any district requiring emergency building funds shall request such assistance from the Superintendent of Public Instruction, and shall justify such request by furnishing information indicating the increase in pupil average daily attendance of the initial two months of the current school over the pupil average daily attendance of the same period of the preceding school year.

(b) Upon receipt of such request and information, the Superintendent of Public Instruction shall, prior to January 31, investigate the request to determine if the increase, so reported, represents a permanent, continuing classroom demand or the result of a limited, transient increased enrollment. The findings resulting from the invsetigation shall be immediately transmitted to the school superintendent who made the request.

(c) If the results of the investigation indicate the emergency classroom demand is the result of limited, transient increased enrollment, consideration of the request shall be suspended, pending reapplication the following school year.

(d) If, however, the results of the investigation indicate that the rate of growth in average daily attendance is the result of permanent, continuing student increase, the Superintendent of Public Instruction shall distribute to that district funds designated only for capital construction on the following basis:

1. Average daily increase from 1 through 499—$250 per pupil increase.

2. Average daily increase from 500 through 999—$500 per pupil increase.

3. Average daily increase from 1000 through 1999—$750 per pupil increase.

4. Average daily increase from 2000—$1000 per pupil increase.

(5) The amount to be included in the foundation program of each district for transportation shall be determined by multiplying the aggregate attendance of transported children by the allowable cost per pupil per day for that district determined in accordance with the provisions of KRS 157.370.

(6) The total cost of the foundation program for each district shall be the sum of the allotments in subsections (2), (3), (4), and (5) of this section.

Section 2. Subsections (2) and (5) of KRS 157.400 are applicable to subsection (4) of this section.

Said Committee Amendment to **SB 53** is as follows:

Amend printed copy of Senate Bill No. 53 on page 5, line 22, by: deleting the figure "1" and inserting in lieu thereof the figure "300" and on page 6 by adding a new section, to read as follows:

"Section 3. WHEREAS, school children within the Commonwealth are currently suffering the inequities of "double sessions," and whereas, many additional young persons face the possibility of "double sessions," in the immediate future, and whereas the need for rapid school construction is most urgent, an emergency is declared to exist, and this Act shall become effective upon its passage and approval by the Governor.

Calendar

SB 109, HB 1 taken from the Calendar and ordered read at length for the second time. Senator Gardner moved that they be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

Orders of the Day

SB 94 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that **SB 94** be recommitted to the Committee on Banking and Insurance. Agreed.

SB 121 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Blue moved the Previous Question on **SB 121.** Agreed.

On the roll call the vote was yeas 33—Billington, Blue, Bonn, Brizendine, Buckman, Cobb, Derickson, Duffy, Duncan, Edwards, Engle, Fuqua, Gardner, Garrett, Howard, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Layne, Mann, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Turner, Van Hoose, Ware. Nays 0.

SB 121 was passed and the title agreed to.

Senator Blue moved that the vote by which **SB 121** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 113 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Bonn moved the Previous Question on **SB 113.** Agreed.

On the roll call the vote was yeas 34—Billington, Blue, Bonn, Brizendine, Buckman, Cobb, Derickson, Duffy, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, Howard, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Swope, Turner, Van Hoose, Ware. Nays 0.

SB 113 was passed and the title agreed to.

Senator Gardner moved that the vote by which **SB 113** was passed be reconsidered and that said motion be laid on the table. Agreed.

Announcement

Senator Bonn, Chairman, announced a meeting of the Committee on Transportation and Highways at 9:30 A.M., Friday, February 21 in Room 318.

Reference of Bills

The Clerk announced that the following bills and resolution had been referred:

State and County Government: **SB 153 SB 161**

Appropriations: **SB 154, HB 222, SR 25**

Education: **SB 155, SB 156**

Health and Welfare: **SB 157, HB 43**

Judiciary: **SB 158**

Agriculture: **SB 159**

Revenue and Taxation: **SB 160**

Administrative Agencies: **SB 162**

Suffrage, Elections and Constitutional Amendments: **HB 107, HB 198, HB 124**

Senator Gardner moved that the Senate adjourn until 10:00 A.M., Friday, February 21. Agreed.

FRIDAY, FEBRUARY 21, 1964

THIRTY-SEVENTH LEGISLATIVE DAY

The Senate was called to order by the President.

Prayer by the Reverend James A. Shepherd of the First Methodist Church of Frankfort.

The roll was called. All present except Senators Duncan and Turner, who were granted leave of absence on motion of Senator Gardner.

Reading of the Journal for February 20 dispensed with and the same approved on motion of Senator Gardner.

House Message

Announcing passage of **HB 42, HB 27, HB 52, HB 127, HB 161, HB 181, HB 191, HB 201, SB 8.**

Introduction of Bills and Resolutions

SR 26, by Senator Kinkead: A CONCURRENT RESOLUTION requesting the motorcar industry to incorporate in all American motorcars those devices and structures that are known to be capable of reducing the number of highway deaths and injuries.

WHEREAS, the principles involved are a part of basic engineering knowledge, and have been drawn to the attention of executive personnel in the motorcar industry by medical and other groups many times; and

WHEREAS, the motorcar industry has not yet seen fit to incorporate even a substantial number of these principles and practices in its products;

NOW, THEREFORE,

Be it resolved by the Senate of the Commonwealth of Kentucky; the House of Representatives concurring therein:

Section 1. That the Commonwealth of Kentucky request the motorcar industry to incorporate in all American motorcars those devices and structures which they know are capable of reducing the number of deaths and injuries now occurring on our streets and highways; and also that the Commonwealth of Kentucky expresses the sincere hope that the motorcar industry can and will incorporate the necessary changes to make the individual cars less lethal, avoiding the need for the instigation of Federal controls such as have been imposed upon other businesses which did not police themselves.

Section 2. The Governor of the Commonwealth of Kentucky is hereby requested to transmit under his signature copies of this resolution to the heads of the motorcar industry.

Senator Donald L. Johnson moved to table **SR 26.** Said motion lost by voice vote.

Senator Kinkead moved the adoption of **SR 26.** Agreed.

SR 27, by Senator Mobley: A CONCURRENT RESOLUTION welcoming Miss Jean Thomas of Ashland, the "Traipsin Woman."

WHEREAS, Jean Thomas originated and developed the annual "Folk Song Festival" held at Ashland which attracts national attention; and

WHEREAS, the "Traipsin Woman" as Miss Thomas is designated, has written several books and is a recognized authority on ballads originating in the mountains of the Commonwealth; and

WHEREAS, an invitation to appear before the General Assembly was extended to Jean Thomas and accepted by her;

NOW, THEREFORE,

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky; the House of Representatives concurring therein:

That the General Assembly, by this Resolution, welcomes Miss Jean Thomas of Ashland, the "Traipsin Woman."

That a duly authenticated copy of this Resolution be delivered to Jean Thomas.

Senator Mobley moved the adoption of **SR 27.** Agreed.

SB 171, by Senator Gay: AN ACT relating to education.

SB 172, by Senator Gay: AN ACT relating to education.

SB 173, by Senator Gay: AN ACT relating to education.

SB 174, by Senators Miller, McCann and Duffy: AN ACT relating to statutory leins.

SB 175, by Senator Kelly: AN ACT relating to police courts in cities of the third class.

SB 176, by Senator Kelly: AN ACT relating to selection of juries in police courts of third class cities.

SB 177, by Senator Kelly: AN ACT relating to the replevy of judgment or fine.

Report of Committees

Committee on Appropriations reported **HB 222** with the expression of opinion that same should pass, with the Committee Amendment attached thereto. Read at length for the first time and ordered placed in the Calendar.

HB 222, AN ACT relating to appropriations for the operation, maintenance, support and functioning of the government of the Commonwealth of Kentucky and its various officers, departments, boards, institutions, subdivisions, agencies and other state supported activities.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

PART ONE

There is appropriated out of the General Expenditure Fund for the fiscal year ended June 30, 1964, and, including any unappropriated surplus to the General Expenditure Fund as of June 30, 1964, for the fiscal year beginning July 1, 1964, and ending June 30, 1965, and, including any unappropriated surplus to the General Expenditure Fund as of June 30, 1965, for the fiscal year beginning July 1, 1965, and ending June 30, 1966 the following sums for the following officers, departments, boards, commissions, institutions, and subdivisions of the State Government, and any and all other agencies of the State Government of the Commonwealth of Kentucky subject to the provisions of Chapters 12, 42, and 45 of the Kentucky Revised Statutes, for which a specific appropriation is in Part One listed as follows:

I. GENERAL GOVERNMENT

1. LEGISLATIVE

A. *Legislative Sessions*

1964-65	$ 22,500
1965-66	$800,600

B. *Legislative Research Commission.* Any unexpended balance at the close of the 1964-65 fiscal year shall continue into the 1965-66 fiscal year.

1964-65	$355,600
1965-66	$366,300

C. *Constitution Revision Assembly.* Any unexpended balance at the close of the 1964-65 fiscal year shall continue into 1965-66.

1964-65	$ 20,000
1965-66	$ 20,000

D. *Legislative Journals and Acts.* For preparing, indexing, editing, and printing the Jourials and Acts of the General Assembly. Any unexpended balance at the close of 1964-65 shall carry forward into 1965-66.

1964-65	$ 18,200
1965-66	$ 12,700

E. *The Council of State Governments*

1964-65	$ 12,000
1965-66	$ 12,000

F. *Statute Revision Commission—Printing Revolving Fund*

1964-65	$ 10,000

G. *Speaker of House of Representatives.* For salaries and expenses of the Office of the Speaker of the House of Representatives.

1964-65	$ 10,000
1965-66	$ 10,000

TOTAL—LEGISLATIVE

1964-65	$ 448,300
1965-66	$1,221,600

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2. JUDICIARY

A. *Court of Appeals.* For normal recurring operating costs of the Court of Appeals, including salaries of judges and commissioners.

1963-64	$ 40,000
1964-65	$410,090
1965-66	$413,690

B. *Clerk, Court of Appeals*

1964-65	$ 59,520
1965-66	$ 58,300

C. *Circuit Courts.* For salaries and expenses of circuit judges.

1963-64	$ 124,600
1964-65	$1,039,880
1965-66	$1,041,470

D. *Judicial Retirement System.* For complying with the obligations of the State under the Retirement System for Judges and Commissioners of the Court of Appeals, and for Circuit Judges as provided in KRS 21.345 through KRS 21.520.

1964-65	$250,000
1965-66	$250,000

E. *State Law Library*

1964-65	$ 34,160
1965-66	$ 35,570

F. *Statutes, Codes and Opinions of the Court of Appeals for Courts.* For the purpose only of purchasing from the Legislative

Research Commission copies of the Official Statutes of Kentucky, and Annotations thereto, codes of practice and procedure with supplements, and Administrative Regulations compilations in accordance with KRS 57.340, except where the Legislative Research Commission does not publish such material and Director of the Legislative Research Commission so certifies. In such cases the State Law Librarian is authorized to purchase said material from commercial sources. Also for the purpose of purchasing bound volumes and advance sheets of the Opinions of the Court of Appeals and furnishing them for the use of each County Law Library and each Judge of a circuit court of continuous session in accordance with KRS 57.320. Any unexpended balance at the close of 1964-65 shall carry forward into 1965-66.

1964-65	$ 6,400
1965-66	$ 6,400

TOTAL—JUDICIARY

1963-64	$ 164,600
1964-65	$1,800,050
1965-66	$1,805,430

3. EXECUTIVE DEPARTMENT

A. *Governor's Office*

1964-65	$245,125
1965-66	$251,425

B. *Contingent Fund*

1964-65	$ 12,000
1965-66	$ 12,000

C. *General Contingency Fund.* For meeting expenses deemed necessary by the Governor, and to be expended by the Governor at his discretion for any emergency or other contingency that he may determine requires the expenditure of any part of said fund. Any unexpended balance at the close of 1964-65 shall continue into 1965-66.

1964-65	$500,000
1965-66	$500,000

D. *Office of Local Government*

1964-65	$ 53,200
1965-66	$ 55,260

E. *Office of the Lieutenant Governor*

1964-65	$ 72,300
1965-66	$ 75,260

F. *Contingent Fund*

1964-65	$ 5,000
1965-66	$ 5,000

TOTAL—EXECUTIVE DEPARTMENT

1964-65	$887,625
1965-66	$898,945

4. DEPARTMENT OF FINANCE

A. *General Operations*

1964-65	$2,250,390
1965-66	$2,595,965

B. *Division of Services.* For operation of the Executive Residence.

1964-65	$ 62,920
1965-66	$ 64,170

C. *Division of Services.* For operation of Old Governor's Mansion.

1964-65	$ 19,515
1965-66	$ 19,690

TOTAL—DEPARTMENT OF FINANCE

1964-65	$2,332,825
1965-66	$2,679,825

5. DEPARTMENT OF REVENUE

A. *General Operations*

1964-65	$4,293,060
1965-66	$4,925,470

B. *Reappraisals*

1964-65	$100,000
1965-66	$100,000

Any unexpended balance at the close of 1964-65 shall continue into 1965-66.

C. *County Tax Commissioners*

1964-65	$1,908,000
1965-66	$1,973,000

TOTAL—DEPARTMENT OF REVENUE

1964-65	$6,301,060
1965-66	$6,998,470

6. DEPARTMENT OF PERSONNEL

A. *Department of Personnel*

1964-65	$269,470
1965-66	$301,700

Notwithstanding any provisions of KRS 18.330 to the contrary, this appropriation is for the pro-rata cost of administering a merit system of personnel administration for the civil service of the Commonwealth for all departments, commissions, boards, or agencies which receive support from the General Expenditure Fund or Revolving Trust and Agency Funds.

7. DEPARTMENT OF LAW

A. *Attorney General*

1964-65	$264,890
1965-66	$274,360

8. DEPARTMENT OF PUBLIC INFORMATION

A. *Department of Public Information*

1964-65	$1,063,740
1965-66	$1,080,090

The sum of $115,000 of the appropriation for the 1965-66 fiscal year shall be used for the establishment of a cooperative advertising program to encourage and assist local agencies in the promotion of community tourist attractions. The Department may make grants to match local agency funds made available for this purpose but no grant shall exceed twenty percent of the total appropriation made to the Department for the cooperative advertising program.

9. SECRETARY OF STATE

A. *Secretary of State*

1964-65	$ 90,680
1965-66	$ 85,850

10. DEPARTMENT OF THE TREASURY

A. *State Treasurer*

1964-65	$203,345
1965-66	$227,040

11. AUDITOR OF PUBLIC ACCOUNTS

A. *Auditor of Public Accounts*

1964-65	$151,000
1965-66	$152,680

12. ELECTIONS

A. *Election Expenses*

1964-65	$432,720
1965-66	$432,720

For expenses of the State Board of Election Commissioners, State Board of Registration and Purgation, County Elections-State Share, and County Registration and Purgation Boards-State Share. All election expenses in excess of the amounts above shall be deemed necessary governmental expenses.

13. COMMISSION ON ECONOMY AND EFFICIENCY

A. *Commission on Economy and Efficiency*

1964-65	$ 50,000
1965-66	$ 25,000

TOTAL—GENERAL GOVERNMENT

1963-64	$ 164,600
1964-65	$14,295,705
1965-66	$16,183,710

II. EDUCATION

14. DEPARTMENT OF EDUCATION

A. *General Operations.* For general operation of the department and expenses of the State Board of Education.

1963-64	$1,593,970
1964-65	$1,820,480

B. *Division of Education for Veterans (Veterans' Approval Agency).* For payment of administrative expenses in connection with the approval of educational institutions for training and educating veterans for which reimbursement is made by the Federal Government. The sum of $7,000 unexpended balance remaining at the close of the 1963-64 fiscal year shall not lapse but shall continue into the 1964-65 fiscal year; any unexpended balance remaining at the close of the 1964-65 fiscal year shall not lapse but shall continue into the 1965-66 fiscal year.

C. *School Foundation Program*

1964-65	$120,469,540
1965-66	$126,513,360

The State Board of Education shall not approve any working budget or salary schedule for local boards of education for the school years 1964-65 and 1965-66 in which the total amount budgeted for teachers' salaries is not equal to the amount budgeted for teachers' salaries in 1963-64 plus the additional amount for teachers' salaries and guarantee received by the district under this appropriation. The amount which any district receives under any guarantee provision shall be presumed to be for teachers' salaries and shall be placed in the teachers' salaries budget and allotted to the various teachers' salary ranks in a proportionate manner in keeping with KRS 157.390. No working budget or salary schedule shall be approved in which the average salary paid any rank of teacher is not at least equivalent to the allotment for that rank and in which any teacher is paid less than ninety per cent of the Foundation Program allotment for that rank, except where there is a decline in local revenue of that district after the district has levied the maximum ad valorem tax rate permitted by law. Any such reduction permitted shall be only for the amount of the decline in local revenue.

In the event any local board of education claims there is a decline in local tax resources in that district, the State Board of Education shall certify such claim to the Department of Revenue whose duty it shall be to determine whether or not there is a decline in local tax resources of such district and if so, the amount of such decline in local tax resources. The Department of Revenue shall make its certification to the State Board of Education and said Board shall accept said certification as final.

The Superintendent of Public Instruction shall not allot to any school district more basic classroom units than the number of teachers employed by that school district for basic classroom units. Entitlement for basic classroom units obtained in schools or buildings of one classification shall not be allocated to schools or buildings of another classification, for which purposes the classifications shall be as follows:

(1) One-teacher schools;

(2) Schools, other than one-teacher schools, with less than one hundred pupils in average daily attendance; and,

(3) Schools, other than one-teacher schools, with more than one hundred pupils in average daily attendance.

The Superintendent of Public Instruction shall allot classroom units for superintendents, principals, their certified assistants and special instructional personnel as provided in KRS 157.360, subsection 6, only for personnel who are qualified for their respective positions under provisions of law and regulations of the State Board of Education and who maintain programs approved under regulations of the State Board of Education.

The number of units allotted by the Superintendent of Public Instruction for vocational education and the education of exceptional children shall not exceed the following:

	1963-64	1964-65
Vocational Agriculture	265	265
Vocational Home Economics	380	385
Trade and Industrial	125	158
Distributive Occupations	35	45
Exceptional Children	184	202
Mental Retardation	246	298

The Superintendent of Public Instruction shall not allot a full classroom unit for any non-isolated one-teacher school with fewer than 27 pupils in average daily attendance and no full classroom units shall be allotted for any one-teacher school which has fewer than 12 pupils in average daily attendance.

Facilities that are used to house school children shall be approved by the Superintendent of Public Instruction under KRS 162.060 and 162.160. No alterations or additions of old buildings shall be made without prior approval of the Superintendent of Public Instruction. No space shall be rented or purchased and converted to classroom use without prior approval of the Superintendent of Public Instruction. The State Board of Education may adopt regulations for the approval on an annual basis of temporary facilities for the housing of school children but these regulations shall not permit the division of any present room by partitions of nonstructural material. No classroom units shall be allotted for a second teacher in the same classroom. No facilities shall be approved for classroom use which are detrimental to the health of or dangerous to the safety of school children.

If a school district operates any school or grade of a school for a term of less than nine scholastic months or for a school day of less than the minimum required by KRS 158.060, the average daily attendance of such school shall be reduced proportionately by the Superintendent of Public Instruction in determining the allotment of classroom units provided for by regulations of the State Board of Education.

Notwithstanding the provisions of KRS 157.400, any undistributed balance in the foundation program fund at the end of the fiscal years 1963-64 and 1965-66 shall lapse to the General Fund. Notwithstanding the provisions of KRS 156.650, no unexpended portions of the foundation program fund shall be expended at any time for the purposes of KRS 156.610 through 156.650.

D. *Free Textbooks.* For the purchase of textbooks as provided for in KRS 157.100 and 157.900.

1964-65	$2,400,000
1965-66	$2,400,000

To be expended in accordance with regulations of the State Board of Education.

E. *Out-of-District Children*

1964-65	$ 45,000
1965-66	$ 45,000

F. *Kentucky School for the Blind*

1964-65	$353,370
1965-66	$366,990

G. *Kentucky School for the Deaf*

1964-65	$560,530
1965-66	$580,020

H. *Mayo State Vocational School*

1964-65	$381,830
1965-66	$387,830

I. *Northern Kentucky Vocational School*

1964-65	$209,530
1965-66	$211,870

J. *West Kentucky Vocational School*

1964-65	$211,160
1965-66	$218,220

K. *Bureau of Rehabilitation Services*

1964-65	$401,820
1965-66	$415,890

Any unexpended balance at the close of 1964-65 not to exceed $10,000 shall carry forward into 1965-66.

L. *Kentucky Industries for the Blind*

1964-65	$ 44,150
1965-66	$ 45,430

M. *Vocational Education*

1964-65	$891,970
1965-66	$963,750

N. *Future Farmer Leadership Training Camp*

1964-65	$ 20,110
1965-66	$ 20,110

O. *Education for Exceptional Children.* Any unexpended balance remaining at the close of the 1963-64 fiscal year shall not lapse but shall continue into the 1964-65 fiscal year; and any unexpended balance remaining at the close of the 1964-65 fiscal year shall continue in to the 1965-66 fiscal year.

TOTAL–DEPARTMENT OF EDUCATION

1964-65	$127,582,980
1965-66	$133,988,950

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15. STATE COMMITTEE FOR SCHOOL DISTRICT AUDITS

A. *State Committee for School District Audits*

1964-65	$ 75,000
1965-66	$ 75,000

16. TEACHERS' RETIREMENT SYSTEM

A. *Teachers' Retirement System.* For administering and complying with the obligations of the state under the Teachers' Retirement Act as provided in KRS 161.220 to 161.710.

1964-65	$ 8,400,000
1965-66	$11,000,000

17. COUNCIL ON PUBLIC HIGHER EDUCATION

A. *General Administration*

1964-65	$ 64,367
1965-66	$ 68,327

B. *Southern Regional Education Board.* For participation in the activities of the Southern Regional Education Board including the Mental Health Council, Veterinary Medicine Program, Forestry Program, Blind and Deaf Teachers, Public Health Scholarship Program, Optometric Scholarship Program.

1964-65	$127,250
1965-66	$135,600

C. *Musical Education*

1964-65	$ 50,000
1965-66	$ 50,000

D. *Occupational Qualification Development*

1964-65	$ 80,000
1965-66	$ 80,000

TOTAL–COUNCIL ON PUBLIC HIGHER EDUCATION

1964-65	$321,617
1965-66	$333,927

18. UNIVERSITY OF KENTUCKY

A. *University of Kentucky*

1964-65	$26,660,200
1965-66	$30,552,560

19. EASTERN KENTUCKY STATE COLLEGE

A. *Eastern Kentucky State College*

1964-65	$4,028,063
1965-66	$4,660,119

20. WESTERN KENTUCKY STATE COLLEGE

A. *Western Kentucky State College*

1964-65	$4,271,099
1965-66	$5,010,601

21. MURRAY STATE COLLEGE

A. *Murray State College*

1964-65	$3,127,002
1965-66	$3,654,119

22. MOREHEAD STATE COLLEGE

A. *Morehead State College*

1964-65	$2,624,963
1965-66	$3,046,014

23 KENTUCKY STATE COLLEGE

A. *Kentucky State College*

1964-65	$1,049,000
1965-66	$1,350,000

24. KENTUCKY STATE COLLEGE LINCOLN INSTITUTE

A. *Lincoln Institute*

1964-65	$215,342
1965-66	$225,697

25. MEDICAL EDUCATION PROGRAM

A. *University of Louisville, Schools of Medicine and Dentistry*

1964-65	$700,000
1965-66	$900,000

26. DEPARTMENT OF LIBRARIES

A. *Department of Libraries*

1964-65	$789,052
1965-66	$854,831

27. KENTUCKY HISTORICAL SOCIETY

A. *Kentucky Historical Society*

1964-65	$115,158
1965-66	$105,904

28. EDUCATIONAL TELEVISION AUTHORITY

A. *Educational Television Authority*

1964-65	$ 74,270
1965-66	$ 75,850

29. COMMISSION ON PUBLIC EDUCATION

A. *Commission on Public Education*

1964-65	$ 5,000
1965-66	$ 5,000

TOTAL–EDUCATION

1964-65	$180,038,746
1965-66	$195,838,572

III. HEALTH AND WELFARE

30. DEPARTMENT OF HEALTH

A. *General Operations*

1964-65	$2,089,160
1965-66	$2,084,819

B. *County Health*

1964-65	$2,797,907
1965-66	$2,859,407

C. *Covington-Kenton County Tuberculosis Sanatorium*

1964-65	$ 36,750
1965-66	$ 24,500

D. *Warren County Tuberculosis Sanatorium*

1964-65	$ 20,250
1965-66	$ 13,500

If at any time during the biennium the State Tuberculosis Hospital Commission finds that it has adequate facilities to treat tuberculosis patients in Covington, Kenton County, or Warren County, any unexpended funds may be transferred to the Commission, any provisions of KRS 215.320 to 215.345 to the contrary notwithstanding. The Commissioner of Finance may take necessary action to transfer any unexpended funds to the Tuberculosis Hospital Commission upon the receipt of a certificate by the Commission that adequate facilities exist. The transfer of funds shall be effected at the beginning of the next quarterly allotment following receipt of the certificate.

E. *Rural Medical Scholarship Fund*

1964-65	$ 30,000
1965-66	$ 30,000

F. *Rural Dental Scholarship Fund.* To be expended for the purpose of the present rural dental scholarship fund only.

1964-65	$ 15,000
1965-66	$ 15,000

G. *Vital Statistics*

1964-65	$ 35,000

TOTAL—DEPARTMENT OF HEALTH

1964-65	$5,024,067
1965-66	$5,027,226

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31. DEPARTMENT OF MENTAL HEALTH

A. *General Operations*

1964-65	$14,052,000
1965-66	$14,460,000

32 STATE TUBERCULOSIS HOSPITAL COMMISSION

A. *State Tuberculosis Hospital Commission*

1964-65	$4,228,000
1965-66	$4,314,000

33. KENTUCKY COMMISSION FOR HANDICAPPED CHILDREN

A. *Kentucky Commission for Handicapped Children*

1964-65	$752,360
1965-66	$800,920

34. DEPARTMENT OF ECONOMIC SECURITY

A. *Administration*

1964-65	$3,230,638
1965-66	$3,315,131

B. *Public Assistance Benefits and Services.* For benefits and services to the needy, in accordance with the provisions of the statutes governing the functions and activities of the Department of Economic Security. No part of this appropriation shall be used for the costs of administration except as authorized by the Commissioner of Finance.

1964-65	$19,421,640
1965-66	$20,309,350

C. *Division of Personnel Security.* For the state's share of expenses in administering the Federal Social Security Act.

1964-65	$ 17,819
1965-66	$ 18,352

D. *Nursing Home and Personal Care Home Loan Fund.* For the purpose of carrying out the provisions of KRS 216.770 and 216.780 all unencumbered balance remaining on June 30, 1964 and all repayments made to the loan fund thereafter for use during the 1964-65 and 1965-66 fiscal year.

E. *Hospital Care Fund*

1964-65	$600,000
1965-66	$500,000

Any unexpended balance remaining at the close of the 1963-64 fiscal year shall not lapse but shall continue into the 1964-65 fiscal year. Any unexpended balance remaining at the close of the 1964-65 fiscal year shall not lapse but shall continue into the 1965-66 fiscal year.

F. *Kentucky Commission on Employment of the Physically Handicapped*

1964-65	$ 5,000
1965-66	$ 5,000

TOTAL—DEPARTMENT OF ECONOMIC SECURITY

1964-65	$23,275,097
1965-66	$24,147,833

35. DEPARTMENT OF CHILD WELFARE

A. *Department of Child Welfare*

1964-65	$3,578,000
1965-66	$3,845,000

36. DEPARTMENT OF CORRECTIONS

A. *General Operations*

1963-64	$ 120,000
1964-65	$4,444,258
1965-66	$4,730,639

B. *Maintenance of Buildings*

1964-65	$ 80,000
1965-66	$ 80,000

Any unexpended balance at the close of 1964-65 shall carry forward into 1965-66.

TOTAL—DEPARTMENT OF CORRECTIONS

1963-64	$ 120,000
1964-65	$4,524,258
1965-66	$4,810,639

37. COMMISSION ON HUMAN RIGHTS

A. *Commission on Human Rights*

1964-65	$ 44,200
1965-66	$ 45,900

38. KENTUCKY COMMISSION ON AGING

A. *Kentucky Commission on Aging*

1964-65	$ 5,000
1965-66	$ 5,000

TOTAL—HEALTH AND WELFARE

1964-65	$55,482,982
1965-66	$57,456,518

IV. RESOURCES DEVELOPMENT

39. DEPARTMENT OF CONSERVATION

A. *Department of Conservation*

1964-65	$1,607,530
1965-66	$1,680,150

B. *Forest Fire Suppression*

1964-65	$ 60,000
1965-66	$ 60,000

Any amount not expended at the end of the 1964-65 fiscal year shall continue into the 1965-66 fiscal year. All costs for emergency fire suppression in excess of the appropriation available in either fiscal year are declared to be necessary governmental expense; provided an emergency situation has been declared to exist by the Governor.

TOTAL–DEPARTMENT OF CONSERVATION

1964-65	$1,667,530
1965-66	$1,740,150

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40. DEPARTMENT OF MINES AND MINERALS

A. *Department of Mines and Minerals*

1964-65	$446,460
1965-66	$439,840

41. DEPARTMENT OF AGRICULTURE

A. *Department of Agriculture*

1964-65	$1,676,570
1965-66	$1,705,310

Each year of the biennium $10,000 shall be used for promotion of the trotting horse industry and may be for, but not limited to, providing assistance to the Kentucky Trotting Commission.

42. DEPARTMENT OF COMMERCE

A. *Department of Commerce*

1964-65	$1,122,770
1965-66	$1,190,370

43. KENTUCKY INDUSTRIAL DEVELOPMENT FINANCE AUTHORITY

A. *Kentucky Industrial Development Finance Authority.* For the purpose of increasing the capital of the Kentucky Industrial Development Finance Authority Fund as provided in KRS 154.150.

1964-65	$500,000

44. UNIVERSITY OF KENTUCKY

A. *Geological Projects*

1964-65	$565,000
1965-66	$565,000

45. DEPARTMENT OF LABOR

A. *General Operations.* For general operations of the Office of the Commissioner, Division of Labor Standards and Division of Research and Statistics.

1964-65	$290,910
1965-66	$326,650

B. *Board of Claims*

1964-65	$ 5,000

For the purpose of establishing a revolving fund for payment of expenses relative to processing claims against the Commonwealth pursuant to the provisions of KRS 44.100.

TOTAL—DEPARTMENT OF LABOR

1964-65	$295,910
1965-66	$326,650

46. DEPARTMENT OF AERONAUTICS

A. *Department of Aeronautics*

1964-65	$176,355
1965-66	$175,260

47. STATE FAIR BOARD

A. *State Fair Board*

1963-64	$220,000
1964-65	$450,000
1965-66	$450,000

48. DEPARTMENT OF PARKS

A. *Department of Parks*

1963-64	$1,500,000
1964-65	$2,225,000
1965-66	$2,225,000

49. STATE PARKS BOARD

A. *State Parks Board.* Any unexpended balance at the close of the 1963-64 fiscal year shall continue into 1964-65.

1963-64	$ 11,250

50. BREAKS INTERSTATE PARK COMMISSION

A. *Breaks Interstate Park Commission.* For matching funds from the Commonwealth of Virginia in the construction, maintenance and operation of Breaks Interstate Park.

1964-65	$100,000
1965-66	$100,000

This appropriation is contingent upon an appropriation by the Commonwealth of Virginia adequate to match this amount on an equal basis provided, however, appropriations to date shall be considered cumulatively and any deficit in appropriations by this State may be removed. The Commissioner of Finance shall be responsible for ensuring that only the amount necessary for matching on an equal basis is allotted.

51. ECONOMIC DEVELOPMENT COMMISSION

A. *Economic Development Commission*

1964-65	$ 61,430
1965-66	$ 62,750

52. AREA PROGRAM OFFICE

A. *Area Program Office*

1964-65	$ 52,705
1965-66	$ 53,240

TOTAL—RESOURCES DEVELOPMENT

1963-64	$1,731,250
1964-65	$9,339,730
1965-66	$9,033,570

V. SAFETY AND REGULATORY

53. DEPARTMENT OF PUBLIC SAFETY

A. *Department of Public Safety-General Operations*

1964-65	$3,731,710
1965-66	$6,053,530

B. *Aid to Local Fire Departments*

1964-65	$100,000
1965-66	$100,000

TOTAL—DEPARTMENT OF PUBLIC SAFETY

1964-65	$3,831,710
1965-66	$6,153,530

54. DEPARTMENT OF MILITARY AFFAIRS

A. *Adjutant General*

1964-65	$378,890
1965-66	$386,480

B. *Armories-Debt Service*

1964-65	$121,720
1965-66	$121,720

C. *Repairs to Armories*

1964-65	$ 85,250
1965-66	$ 97,540

Any unexpended balance at the close of 1964-65 shall carry forward into 1965-66.

D. *Civil Defense*

1964-65	$ 70,980
1965-66	$ 76,210

E. *Kentucky Disabled Ex-Service Mens' Board*

1964-65	$139,210
1965-66	$142,890

TOTAL—DEPARTMENT OF MILITARY AFFAIRS

1964-65	$796,050
1965-66	$824,840

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55. RAILROAD COMMISSION

A. *Railroad Commission*

1964-65	$ 29,200
1965-66	$ 29,360

56. DEPARTMENT OF ALCOHOLIC BEVERAGE CONTROL

A. *Department of Alcoholic Beverage Control*

1964-65	$305,990
1965-66	$301,950

57. DEPARTMENT OF INSURANCE

A. *Department of Insurance*

1964-65	$380,300
1965-66	$373,850

58. BUSINESS AND PROFESSIONAL REGULATION

A. *State Board of Athletic Control*

1964-65	$ 22,250
1965-66	$ 22,500

TOTAL—SAFETY AND REGULATORY

1964-65	$5,365,500
1965-66	$7,706,030

VI. OTHER

59. DEPARTMENT OF FINANCE

A. *Veterans Bonus Debt Service*

1964-65	$7,882,968
1965-66	$7,956,730

For principal and interest on bonds issued to pay a bonus to veterans of the Spanish American War, World War I, World War II, and the Korean Conflict.

B. *Veterans Bonus Administration*

1964-65	$ 28,006
1965-66	$ 28,645

For expenses of the Department of Military Affairs in administering veterans bonus claims.

C. *Parks Debt Service*

1964-65	$563,143
1965-66	$584,510

For principal and interest on general obligation park bonds.

D. *Capital Construction.* For expenditure in accordance with the provisions of Chapter 56 of the Kentucky Revised Statutes. All monies transferred to the Department of Finance for capital construction from other appropriations shall be expended, accounted for, and otherwise treated in the same manner as funds appropriated directly to the Department of Finance for capital construction.

If at the end of any fiscal year the monies and securities to the credit of the State Fire and Tornado Insurance Fund exceed two million dollars, and if conditions with respect to life and fire safety in state properties are such as not to require the expenditure of all excess funds for improvements to said conditions, then the Commissioner of Finance, with the approval of the Commissioner of Insurance, shall determine the amount of such excess not so required and may authorize its transfer to the Capital Construction Fund, for expenditure in accordance with the provisions of Chapter 56 of the Kentucky Revised Statutes.

Any unallotted balances of any capital construction appropriations remaining at the close of the 1963-64 fiscal year shall lapse. Any allotted balances remaining at the close of 1963-64 shall continue into 1964-65. Any unexpended balances at the close of 1964-65 shall continue into 1965-66.

1964-65	$1,000,000
1965-66	$1,000,000

TOTAL—OTHER, DEPARTMENT OF FINANCE

1964-65	$9,474,117
1965-66	$9,569,885

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60. COUNTY COSTS

A. *Clerks' Services, Criminal Prosecutions, Jury Commissioners, Trustees of Jury Funds (Circuit Clerks), Commissions on*

Fines and Forfeitures, Commonwealth's Attorneys, Return of Fugitives from Justice, County Highway Patrol, Premiums on Sheriffs' Bonds, Pauper Mental Defectives, and County Boards of Supervisors.

All County Costs are deemed to be necessary governmental expenses and additional funds may be allotted by the Commissioner of Finance.

1964-65	$3,596,750
1965-66	$3,596,750

61. APPROPRIATIONS NOT OTHERWISE CLASSIFIED

A. *Money Refunded.* For refunding money paid into the State Treasury, which may be later determined not to be a lawful collection by the State. No money shall be refunded, however, after it has been paid into the State Treasury except by authority of the head of the department or agency to whom the money was originally paid and the approval of the Commissioner of Finance and the Attorney General.

1964-65	$ Amount Necessary
1965-66	$ Amount Necessary

B. *Unredeemed Checks Refunded.* Checks written by the State Treasurer and not cashed within the statutory period may be presented directly to the State Treasurer for reissuance (KRS 41.370).

1964-65	$ Amount Necessary
1965-66	$ Amount Necessary

C. *Judgments.* For payment of such judgments as may be rendered against the Commonwealth by order of Court and appproved by the Attorney General.

1964-65	$ Amount Necessary
1965-66	$ Amount Necessary

D. *Frankfort Cemetery*

1964-65	$ 250
1965-66	$ 250

E. *Franklin Circuit Court.* For purchase of supplies and equipment in accordance with KRS 28.165.

1964-65	$ 300
1965-66	$ 300

F. *Back Tax Collections*

1964-65	$ Amount Necessary
1965-66	$ Amount Necessary

G. *Prior Year Claims*
1964-65 ____________________$ Amount Necessary
1965-66 ____________________$ Amount Necessary

H. *Public Improvements.* For paying assessments for public improvements against property owned by the State, and for which said assessments the State is deemed to be liable.
1964-65 ________________________________$ 50,000
1965-66 ________________________________$ 50,000

I. *Board of Claims Awards.* For the payment of awards or judgments made by the Board of Claims against departments, boards, commissions and other agencies maintained by appropriations out of the General Fund.
1964-65 ____________________$ Amount Necessary
1965-66 ____________________$ Amount Necessary

J. *Capital City Planning and Zoning Commission.* For expenses of participation in the program of the Commission.
1964-65 ________________________________$ 1,000
1965-66 ________________________________$ 1,000

K. *Social Security for Circuit Clerks, Master Commissioners, and Court Reporters*
1964-65 ________________________________$ 37,350
1965-66 ________________________________$ 39,800

L. *Retirement-Circuit Clerks, Master Commissioners, Court Reporters, and Assistant Commonwealth Attorneys.*
1964-65 ________________________________$ 72,500
1965-66 ________________________________$ 78,200

M. *Blanket Employee Surety Bonds.* For payment of premiums on blanket surety bonds as provided by KRS 62.170.
1964-65 ________________________________$ 12,000
1965-66 ________________________________$ 12,000

N. *Confederate Pensions*
1964-65 ____________________$ Amount Necessary
1965-66 ____________________$ Amount Necessary

O. *Paper for Election Ballots*
1964-65 ________________________________$ 6,000
1965-66 ________________________________$ 6,000

P. *Compensation and Mileage—Presidential Electors*
1964-65 ________________________________$ 900

TOTAL—APPROPRIATIONS NOT OTHERWISE CLASSIFIED
1964-65 ________________________________$180,300
1965-66 ________________________________$187,550

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62. STATE AND COUNTY RETIREMENT SYSTEMS

A. *State and County Retirement Systems*

1964-65	$ 36,700
1965-66	$ 34,440

TOTAL—OTHER

1964-65	$13,287,867
1965-66	$13,388,625

PART TWO

STATE ROAD FUND

There is established for the purpose of paying all cost of operation and maintenance of the Department of Highways and for carrying on its activities and functions, a State Road Fund which shall consist of all the revenues realized from fees, taxes and license fees levied for state road purposes now authorized by law, and any additional or other revenues, grants or funds, including any amount which may be received from Federal aid, bond funds, or any other source pursuant to the provisions of KRS 177.030, made available for the construction or reconstruction of public roads or for any other of the activities administered by the Department of Highways. Such receipts and revenues, together with any balance in the existing State Road Fund as of June 30, 1964, and June 30, 1965, shall constitute the State Road Fund for the fiscal years 1964-65 and 1965-66. There is appropriated from the State Road Fund the following amounts for the following departments, agencies, and subdivisions of the State Government, for the following purposes:

I. HIGHWAY DEPARTMENT GENERALLY

1. DEPARTMENT OF HIGHWAYS

A. *Department of Highways.* For use by the Department in its activities, functions, and duties performed by it as prescribed by law, all monies received and placed to the credit of the State Road Fund, not otherwise appropriated in this or any other Act; provided, however, that an annual budget for each fiscal year shall be submitted by the Department of Highways as required by Part Two, Section III of this Act.

2. RURAL HIGHWAYS

A. *Division of Rural Highways.* For improvement, construction, reconstruction and maintenance of rural roads and bridges, the sum of $10,000,000 for each of the fiscal years 1964-65 and 1965-66. This appropriation is to be expended in accordance with the provisions of KRS 177.360 and 179.420 through 179.430.

B. *Secondary and Rural Roads.* For the construction, reconstruction, and maintenance of secondary and rural roads, two-sevenths of all revenue received under the provisions of KRS 138.220, 138.565 and 177.320. This appropriation is in addition to the amount appropriated under Section I, subsection 2, Paragraph A, of Part Two of the Appropriation Act. These funds shall be distributed in accordance with the formula expressed in KRS 177.360.

II. APPROPRIATIONS TO DEPARTMENTS AND AGENCIES OTHER THAN HIGHWAYS

3. DEPARTMENT OF THE TREASURY

A. *Department of the Treasury.* For expenses pertaining to treasury administration for the Department of Highways.

1964-65	$ 68,000
1965-66	$ 50,000

4. DEPARTMENT OF FINANCE

A. *Department of Finance General Operations.* For expenses pertaining to financial administration for the Department of Highways and for expenses of operation of buildings for the Department of Highways and State Police Barracks.

1964-65	$450,000
1965-66	$200,000

5. DEPARTMENT OF PERSONNEL

A. *Department of Personnel.* Notwithstanding any provisions of KRS 18.330 to the contrary, this appropriation is for the pro rata cost of administering a merit system of personnel administration for the civil service of the Commonwealth for the Department of Highways.

1964-65	$150,000
1965-66	$120,000

6. DEPARTMENT OF REVENUE

A. *Department of Revenue.* For administering and enforcing the laws pertaining to the gasoline, motor fuels and any other taxes comprising the State Road Fund, and administering and enforcing the laws relating to motor vehicle registration and other laws relating to motor vehicles and highways.

1964-65	$960,000
1965-66	$320,000

7. DEPARTMENT OF PUBLIC SAFETY

A. *Department of Public Safety-General Operations*

1964-65 ________________________________$2,939,135
1965-66 ________________________________$ 826,475

8. UNIVERSITY OF KENTUCKY

A. *University of Kentucky Geological Projects.* For expenses pertaining to the acquisition of data used in highway planning and construction.

1964-65 ________________________________$ 88,125
1965-66 ________________________________$ 88,125

9. DEPARTMENT OF MOTOR TRANSPORTATION

A. *Department of Motor Transportation.* For administering and enforcing the motor vehicle carrier laws.

1964-65 ________________________________$833,740
1965-66 ________________________________$884,400

10. DEPARTMENT OF PUBLIC INFORMATION

A. *Division of Tourist Promotion.* For expenses incident to the preparation, publication and distribution of road maps, booklets, photographs, advertisements and other activities intended to advertise and publicize Kentucky highways and highway conditions, tourist, scenic and travel attractions and places of interest to motorists.

1964-65 ________________________________$250,000
1965-66 ________________________________$250,000

TOTAL—APPROPRIATIONS TO DEPARTMENTS
AND AGENCIES OTHER THAN HIGHWAYS
1964-65 ________________________________$5,739,000
1965-66 ________________________________$2,739,000

III. ADMINISTRATION AND EFFECT

The Department of Highways shall submit an annual budget for each fiscal year to the Department of Finance for approval by the Commissioner of Finance immediately before the fiscal year begins. The budget shall be based upon the most current state road fund revenue estimates and contractual and noncontractual federal aid for which the Department will be eligible during the fiscal year.

The appropriations made by this Act are subject to the provisions of Chapters 12, 42, and 45 of the Kentucky Revised Statutes except where additional requirements are imposed by this Act. Nothing in this Act shall be construed to repeal any appropriation for the fiscal year to the State Road Fund ending June 30, 1964.

PART THREE

REVOLVING, TRUST AND AGENCY FUNDS

There is appropriated to the various boards, commissions, institutions, agencies and/or subdivisions of the State Government only as are listed herein for the fiscal year ending June 30, 1965, and for the fiscal year ending June 30, 1966, all of the fees (which include fees for board and room, athletics, and student activities) and rentals, admittances, sales, bond proceeds, licenses collected by law, contributions, gifts, subventions, Federal grants and other Federal receipts and other miscellaneous receipts produced or received by any of the following agencies of the State Government, except as otherwise specifically provided, for the use and benefit for each of the below-named agencies of the State Government for the purposes for which each fund is authorized. Receipts which are received by each of the respective agencies of the State Government listed herein shall be placed to the credit of a Revolving or Trust and Agency Fund out of which shall be established separate Revolving or Trust and Agency Fund accounts for the use and benefit of these agencies of the State Government for purposes for which each fund is authorized.

In the event receipts received and credited to any Revolving or Trust and Agency Fund Account during fiscal year 1964-65 or fiscal year 1965-66 and any balance forwarded to the credit of any such account from the previous fiscal year exceed the appropriation made by specific sum to said account in this Part of this Appropriation Act, the excess is appropriated to the credit of said account for the fiscal year in which the excess occurs; provided, however, that said excess shall become available for expenditure for the purpose of the account during said year only with the authorization of the Commissioner of Finance and approval of the Governor.

Except as herein otherwise provided, the appropriate agency may requisition for expenditure from the Revolving or Trust and Agency Fund account, through the Department of Finance, during the fiscal year ending June 30, 1965, and during the fiscal year ending June 30, 1966, all receipts placed to the credit of the Revolving or Trust and Agency Fund for such year, out of which has been established a Revolving or Trust and Agency Fund account for each separate agency during such fiscal year, plus any balance which said agency may have had forwarded from the preceding year on or before September 30, of the then current fiscal year, by the Department of Finance. On or before the beginning of each fiscal year, each department shall submit to the Department of Finance schedules showing estimated receipts and estimated expenditures by quarterly period.

Notwithstanding any provisions of KRS 45.140 to the contrary, any balances remaining unallotted to specific projects of the revolving funds authorized by Chapter 3, Acts of the General Assembly, 1962, to be established, upon approval of the Governor, to provide, respectively, loans for local airport development, and loans for development of the arts and crafts industry, shall at the end of the fiscal year 1963-64 lapse to the General Expenditure Fund.

I. GENERAL GOVERNMENT

1. LEGISLATIVE RESEARCH COMMISSION

A. *Administrative Regulations Revolving Fund.*

B. *Statute Revision Commission–Printing Revolving Fund.* To be used for the printing and distribution costs of the Kentucky Revised Statutes, Notes and Annotations to the Kentucky Revised Statutes, and supplements to these publications. Reimbursement shall be made to this account from sales of these publications.

2. JUDICIARY

A. *Board of Bar Examiners*

1964-65	$ 14,800
1965-66	$ 14,800

3. SECRETARY OF STATE

A. *Secretary of State.* The operating receipts from all activities of the office of the Secretary of State shall be deposited in the State Treasury to the credit of the General Expenditure Fund, except that there shall be deposited to the credit of a Trust and Agency Fund to be available for the general operations of the office of the Secretary of State for the fiscal years 1964-65 and 1965-66 the receipts from the following fees, and no others, imposed by the provisions of KRS Chapter 271: fees for recording articles of incorporation and issuing certificates of incorporation; original filing fees and fees for recording articles of incorporation and accompanying amendments of foreign corporation, and fees for recording subsequent amendments; fees for recording statements of intent to dissolve and for recording statements of revocation of voluntary dissolution proceedings, and fees for recording articles of dissolution and for issuing certificates of dissolution; fees for recording agreements to merge or consolidate and for recording articles of incorporation subsequent to consolidation and for issuing certificates of incorporation of consolidated corporations; and fees for recording articles of amendment and for issuing certificates of amendments.

4. DEPARTMENT OF FINANCE

A. *Paper Revolving Fund.* The balance in the Paper Revolving Fund and all receipts credited to the Fund during the 1964-65 fiscal year and during the 1965-66 fiscal year are appropriated for use during that period.

B. *Division of Services Revolving Fund.* To be used in purchasing and providing stamps and postage, supplies, equipment and utility services for the various budget units of State Government, which shall make reimbursement for same. Accounting practices shall reflect the current financial status of each function performed with funds in this account. Any unexpended balance remaining at the end of the fiscal year 1964-65 shall not lapse, but shall be available for expenditure during the following fiscal year.

C. *Central Stores Revolving Fund.* The balance in this Fund and all receipts credited to this Fund during the 1964-65 and 1965-66 fiscal year are appropriated for purchasing supplies and services for the various budget units of State Government which shall make reimbursement for same. Any unexpended balance remaining at the end of the fiscal year 1964-65 shall not lapse but shall be available for expenditure during the following fiscal year.

D. *New Capitol Annex Maintenance and Operations.* For expenses of maintaining and operating the New Capitol Annex building.

E. *Duplicating Revolving Fund.* For duplicating services provided to the various budget units of State Government which shall make reimbursement on the basis of cost.

F. *Capital Construction.* All real estate rentals, sales and other receipts including balance brought forward as provided in KRS Chapter 56.

5. AUDITOR OF PUBLIC ACCOUNTS

A. *Auditor of Public Accounts*

1964-65	$ 57,170
1965-66	$ 57,230

II. EDUCATION

1. DEPARTMENT OF EDUCATION

A. *General Operation*

1964-65	$446,060
1965-66	$497,605

B. *School Foundation Program*

C. *Veterans' Approval Agency*

D. *School Lunch Program*

E. *School Milk Program*

F. *Guidance Grants to Local Districts*

G. *Mathematics, Science, and Foreign Language Grants to Local Districts*

H. *Young and Adult Farmer Program*

1964-65	$385,945
1965-66	$371,710

I. *Itinerant Instruction*

1964-65	$ 13,295
1965-66	$ 13,870

J. *Home Economics Adult Program*

1964-65	$160,960
1965-66	$158,250

K. *Practical Nurse Training Program*

1964-65	$108,274
1965-66	$108,277

L. *Trade and Industrial Education*

1964-65	$ 936,710
1965-66	$1,213,170

M. *Technician Training Program*

1964-65	$188,272
1965-66	$188,274

N. *Distributive Education Adult Program*

1964-65	$ 36,713
1965-66	$ 36,713

O. *Institutional On-Farm Training Program*

1964-65	$ 7,137

P. *Division of Property Utilization*

1964-65	$488,030
1965-66	$300,800

Q. *Mayo State Vocational School*

1964-65	$280,980
1965-66	$279,530

R. *Northern Kentucky State Vocational School*

1964-65	$ 86,340
1965-66	$ 86,890

S. *West Kentucky State Vocational School*

1964-65	$ 64,460
1965-66	$ 76,710

T. *Bureau of Rehabilitation Services*

1964-65	$1,609,960
1965-66	$1,709,405

U. *Kentucky Industries for the Blind*

1964-65	$219,900
1965-66	$218,170

V. *Business Enterprises Program*

1964-65	$ 13,406
1965-66	$ 14,578

W. *OASI Disability Determination Program*

X. *School for the Blind*

Y. *School for the Deaf*

1964-65	$ 11,230
1965-66	$ 9,000

Z. *ARA and MDTA*

2. TEACHERS' RETIREMENT

A. *Teachers' Retirement System*

3. HIGHER EDUCATION

A. *University of Kentucky*

B. *Eastern Kentucky State College*

C. *Western Kentucky State College*

D. *Murray State College*

E. *Morehead State College*

F. *Kentucky State College*

4. LINCOLN INSTITUTE

A. *Lincoln Institute*

1964-65	$107,116
1965-66	$107,000

5. DEPARTMENT OF LIBRARIES

A. *Department of Libraries*

1964-65	$208,996
1965-66	$208,996

6. KENTUCKY HISTORICAL SOCIETY

A. *Kentucky Historical Society*

1964-65	$ 17,463
1965-66	$ 14,000

III. HEALTH AND WELFARE

1. DEPARTMENT OF HEALTH

A. *General Operations and County Health*

1964-65	$2,692,678
1965-66	$2,716,380

B. *Hospital Construction-Federal*

2. DEPARMENT OF MENTAL HEALTH

A. *Department of Mental Health*

1964-65	$1,584,580
1965-66	$1,578,150

3. STATE TUBERCULOSIS HOSPITAL COMMISSION

A. *State Tuberculosis Hospital Commission*

1964-65	$180,000
1965-66	$180,000

4. DEPARTMENT OF ECONOMIC SECURITY

A. *Department of Economic Security*

5. DEPARTMENT OF CHILD WELFARE

A. *Department of Child Welfare*

1964-65	$725,501
1965-66	$694,119

6. KENTUCKY COMMISSION FOR HANDICAPPED CHILDREN

A. *Kentucky Commission for Handicapped Children*

1964-65	$1,081,970
1965-66	$1,121,500

7. DEPARTMENT OF CORRECTIONS

A. *Central Office*

B. *Penal Institutions*

1964-65	$121,651
1965-66	$121,651

C. *Prison Industries*

1964-65	$1,206,652
1965-66	$1,217,423

IV. RESOURCES DEVELOPMENT

1. DEPARTMENT OF CONSERVATION

A. *Division of Forestry*

1964-65	$742,670
1965-66	$747,810

B. *Division of Strip Mining and Reclamation*

1964-65	$ 82,010
1965-66	$ 82,660

C. *Division of Soil and Water Resources—Specialized Equipment Revolving Fund*

2. DEPARTMENT OF FISH AND WILDLIFE RESOURCES

A. *Department of Fish and Wildlife Resources*

3. DEPARTMENT OF MINES AND MINERALS

A. *Department of Mines and Minerals*

1964-65	$105,800
1965-66	$104,800

4. DEPARTMENT OF AGRICULTURE

A. *General Operations*

1964-65	$162,100
1965-66	$157,990

B. *Dog Law-Administration and Indemnities and County Share*

5. DEPARTMENT OF COMMERCE

A. *General Operations*

1964-65	$424,500
1965-66	$422,290

B. *Kentucky Industrial Finance Authority*

6. DEPARTMENT OF LABOR

A. *Workmen's Compensation Board*

1964-65	$489,928
1965-66	$502,780

For the general operations of the Workmen's Compensation Board and the Division of Occupational Safety, and the pro-rata share of the operating costs for administrative services provided by the office of the Commissioner and Division of Research and Statistics to the Board.

B. *Subsequent Claim Fund.*

7. DEPARTMENT OF AERONAUTICS

A. *Airport Development.* All federal and local aid received.

8. STATE FAIR BOARD

A. *State Fair Board*

9. DEPARTMENT OF PARKS

A. *Department of Parks*

1964-65	$4,536,867
1965-66	$4,615,448

10. STATE PARKS BOARD

A. *State Parks Board*

11. MILK MARKETING AND ANTI-MONOPOLY COMMISSION

A. *Milk Marketing and Anti-Monopoly Commission*

V. SAFETY AND REGULATORY

1. DEPARTMENT OF PUBLIC SAFETY

A. *Division of State Police*

1964-65	$230,000
1965-66	$220,000

B. *Division of Driver Licensing.* Receipts collected by the Division of Driver Licensing from charges for driver records may be used for general operations of the division.

1964-65	$167,600
1965-66	$ 90,000

Notwithstanding the provisions of KRS 234.160 and KRS 236.130 all moneys collected by the Division of Fire Prevention shall be paid into the General Expenditure Fund.

2. DEPARTMENT OF MILITARY AFFAIRS

A. *Department of Military Affairs*

1964-65	$298,880
1965-66	$286,980

3. PUBLIC SERVICE COMMISSION

A. *Public Service Commission*

1964-65	$368,594
1965-66	$375,719

4. DEPARTMENT OF ALCOHOLIC BEVERAGE CONTROL

A. *Confiscation Expense*

1964-65	$ 800
1965-66	$ 800

5. DEPARTMENT OF BANKING AND SECURITIES

All unexpended balances in excess of $300,000 in the Trust and Agency Fund of the Department of Banking and Securities at the close of the 1963-64 fiscal year shall lapse to the General Expenditure Fund. Receipts of the Department during the fiscal year 1964-65 and fiscal year 1965-66 shall be available for expenditure from the Trust and Agency Fund.

A. *Division of Banking*

1964-65	$239,670
1965-66	$246,300

B. *Divisions of Securities*

1964-65	$ 56,370
1965-66	$ 57,400

6. DEPARTMENT OF INSURANCE

Notwithstanding any provisions of KRS 304.463 to the contrary, the following receipts only are authorized to be placed to the credit of the Trust and Agency Fund and are authorized for expenditure out of the Trust and Agency Fund. All other receipts collected during the 1964-65 and 1965-66 fiscal years shall be placed to the credit of the General Expenditure Fund.

A. *Custodian of Securities.* All sums paid for expenses under the provisions of KRS 304.503.

B. *Insurance Examiners Expense.* All fees paid pursuant to the provisions of KRS 304.035. Notwithstanding the provisions of KRS 304.035 to the contrary, any amount unexpended at the end of the 1963-64 fiscal year and each fiscal year thereafter in excess of $10,000 shall lapse to the General Expenditure Fund.

C. *State Fire and Tornado Insurance Fund.* No funds may be used for expenses of administration.

7. DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION

A. *Board of Accountancy*

B. *Board of Psychology*

C. *Board of Examiners and Registration of Architects*

D. *Board of Barber and Beautician Examiners*

E. *Board of Chiropractic Examiners*

F. *Board of Dental Examiners*

G. *Board of Embalmers and Funeral Directors*

H. *Board of Pharmacy*

I. *Board of Prophylactic Enforcement*

J. *Board of Nursing Education and Nurse Registration*

K. *Board of Veterinary Examiners*

L. *Board of Registration for Professional Engineers*

M. *Kentucky Real Estate Commission*

N. *Board of Optometric Examiners*

O. *Board of Podiatry*

P. *Board of Ophthalmic Dispensers*

Q. *Board of Examiners in Watchmaking*

R. *Board of Physical Therapy*

S. *Board of Business Schools*

T. *Board of Auctioneers*

VI. OTHER

1. COUNTY FEES

A. *Jefferson County Master Commissioner*

B. *Jefferson County Receiver*

C. *County Fees for the Following Counties: Jefferson, Kenton, Fayette, Campbell.* For paying the various officials of each county enumerated above, seventy-five per cent (75%) of the fees provided by law to be paid, by the State, to these officials when their claims for fees have been presented to the Department of Finance in the form and manner prescribed by law and approved by the Commissioner of Finance, and to pay to the Fiscal Court of each of these counties twenty-five per cent (25%) of said fees as required by KRS 64.350.

2. TRUCK LICENSES–COUNTY SHARE

A. *Truck Licenses–County Share.* There shall be credited to this fund for the purpose of distribution to counties such portion of truck licenses as is provided by law, at such times as the Department of Finance may order.

3. COUNTY COSTS

A. *Commonwealth Attorneys Expense Accounts*

B. *County Attorneys Expense Accounts*

C. *County Judges Expense Accounts*

PART FOUR

GENERAL PROVISIONS

1. Nothing in this Act shall be construed to repeal any appropriation made hereinbefore or hereinafter for the fiscal year ending June 30, 1964, and nothing in this Act is to be construed as amending or altering the provisions of Chapter 42 of the Kentucky Revised Statutes pertaining to the duties and powers of the Commissioner of Finance. All questions that arise in interpreting any appropriation in this Act as to the purpose or manner for which such appropriation may be expended shall be decided by the Commissioner of Finance in accordance with the detailed estimates embodied in the budget report, and supporting work papers, as considered by the General Assembly, and the decision of the Commissioner of Finance shall be final and conclusive.

2. The Commissioner of Finance is authorized to establish a system and/or formula for pro-rating the administrative costs of the Departments of Personnel, Finance, Treasury, and Law relative to the administration of programs in which there is joint participation by the State and Federal Government for the purpose of receiving the maximum amount of Federal participation permitted under the appropriate federal laws and regulations governing such programs. Any reimbursements received from Federal funds under this system or formula shall accrue to the General Expenditure Fund and any system or formula for the proration shall be developed pursuant to the provisions of KRS 18.330.

3. Notwithstanding any other provisions of this Act, the appropriations to agencies receiving both a General Fund and a Road Fund appropriation shall be considered one appropriation for purposes of administration of this Act, and the rates of General Fund-Road Fund appropriations may be adjusted, by the Commissioner of Finance with approval of the Commissioner of Highways, within the total authorized appropriation for any agency.

4. Notwithstanding any provisions of the Kentucky Revised Statutes to the contrary, Eastern Kentucky State College, Western Kentucky State College, Murray State College, Morehead State College, Kentucky State College and the University of Kentucky are hereby authorized and empowered, with the approval of the Com-

missioner of Finance, to utilize funds available from any appropriated source, for the purpose of cooperating to the fullest extent possible with federal agencies in such programs as may be proposed by the Federal Government involving the use of federal funds for educational purposes, programs, and buildings in conjunction with the colleges and the University.

5. In enacting this Appropriation Act, it is the deliberate intention of the General Assembly to enact each section, and each subsection thereof, as a separate and/or specific appropriation and law, and if any section, any subsection, or any provision thereof shall be held invalid, or unconstitutional, the decision of the courts shall not affect or impair any of the remaining sections, subsections, or provisions contained herein.

6. All continuing appropriations in existence at the time this Act takes effect are discontinued and repealed by this Act, notwithstanding any provisions of the Kentucky Revised Statutes to the contrary, except as provided by Chapters 12, 42, 45, 56, 177, and 341 of the Kentucky Revised Statutes. All laws and portions of laws in conflict with any of the provisions of the above enactment, to the extent of such conflict, are hereby repealed.

Said Committee Amendment to **HB 222** is as follows:

Amend printed copy of House Bill 222 on page 53, line ----, by: adding the following paragraph:

7. WHEREAS, the finances of the Commonwealth can not be ascertained at this time, and since the actual needs of each officer, department, board, commission, institution, or subdivision of the State Government can only be anticipated and not finally determined by the General Assembly, and since the total amount of revenue accruing to the General Expenditure Fund and to the General Road Fund from which these appropriations are made can only be anticipated through existing laws and those that may hereafter be enacted, it is the purpose and intention of this Act that the expenditures for each fiscal year under Part I of this Act shall not exceed the total financial resources anticipated to accrue to the General Expenditure Fund and that the expenditures for each fiscal year under Part 2 of this Act shall not exceed the total financial resources anticipated to accrue to the General Road Fund for the same fiscal year respectively. As the conditions cannot be fully determined until after the adjournment of the 1964 General Assembly, and as the needs of each officer, department, board, agency, commission, institution, or subdivision of the State Government and the total financial resources accruing to the General Expenditure Fund and General Road Fund can not be fully determined at this time, it is the intention and the purpose of this General Assembly that the Commissioner of Finance, with the ad-

vice of the Commissioner of Revenue and the approval of the Govrenor of the Commonwealth, is authorized, empowered and directed to ascertain and determine the needs of each officer, department, board, commission, institution or subdivision of the State Government, and to ascertain the total financial resources anticipated to accrue to the General Expenditure Fund and General Road Fund of the Commonwealth, and upon the ascertainment and determination of said facts, he, the Commissioner of Finance, in the manner set forth and as provided by general law, is authorized, empowered and directed by the General Assembly to prevent an overdraft or deficit in any fiscal year for which appropriations are herein made, by equitably reducing, according to need, without discrimination, the appropriations herein made in Part I and Part 2 to any officer, department, board, commission, institution, or subdivision of the State Government; provided that the power vested shall not permit any reduction of the appropriation of any officer, department, board, commission, institution, or subdivision of the State Government that will actually impair the necessary constitutional functions of any agency whose operations and functions are determined to be necessary constitutional functions of government.

Committee on Transportation and Highways reported **HB 70, SB 137** with the expression of opinion that same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 70, AN ACT relating to motor vehicles.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 189.450 is amended to read:

(1) No person shall stop a vehicle, leave it standing or cause it to stop or to be left standing upon the main traveled portion of a highway; provided, however, that this section shall not be construed to prevent parking off the main traveled portion of a highway or street in a city or suburban area where such parking is otherwise permitted. This subsection shall not apply to:

(a) A vehicle that has been disabled while on the main traveled portion of such a highway in such a manner and to such extent that it is impossible to avoid the occupation of the main traveled portion or impracticable to remove it from the highway until repairs have been made or sufficient help obtained for its removal and shall not apply to wreckers at the scene of accidents or emergency vehicles;

(b) Motor vehicles when required to stop in obedience to the provisions of any section of the Kentucky Revised Statutes or any traffic ordinance, regulation or sign or the command of any peace officer;

(c) Vehicles operating as common carriers of passengers for hire and school busses taking passengers on such vehicle or discharging passengers therefrom, provided that no such vehicle shall stop for such purposes *at a place on the highway which does not afford reasonable visibility to approaching motor vehicles from both directions* [in a no-passing area as described in KRS 189.340 (5)].

(d) Any vehicle required to stop by reason of an obstruction to its progress.

(2) Whenever any police officer finds a vehicle standing upon such a highway in violation of this section, he may move the vehicle, or require the operator or other person in charge of the vehicle to move it, to a position off the paved or improved or main traveled part of the highway.

(3) Whenever any police officer finds a vehicle unattended upon any bridge or causeway or in a tunnel where the vehicle constitutes an obstruction to traffic, the officer may provide for the removal of the vehicle to the nearest garage or other place of safety.

(4) No person shall stop or park a vehicle except when necessary to avoid conflict with other traffic or in compliance with the directions of a police officer or traffic control device, in the following places:

(a) On a sidewalk;
(b) In front of a public or private driveway;
(c) Within an intersection;
(d) At any place where official signs prohibit stopping; or
(e) Within thirty feet upon the approach to any flashing beacon, stop sign or traffic control signal located at the side of a roadway.

(5) No person shall move a vehicle not lawfully under his control into any such prohibited area.

Section 2. Whereas, it is increasingly difficult to safeguard the school children while upon the highways in going to and from school, an emergency is declared to exist, and this Act becomes effective upon its passage and approval by the Governor.

SB 137, AN ACT relating to county roads.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Subsection (1) of Section 178.010 of the Kentucky Revised Statutes is amended to read as follows:

(1) As used in this chapter, unless the context otherwise requires:

(a) "Construction" includes reconstruction and improvement;

(b) *"County roads" are public roads which have been accepted by the fiscal court of the county as a part of the county road system.* ["County roads" are all public roads outside of incorporated cities, except primary roads and Federal parkways.] "County roads" includes necessary *bridges,* culverts, sluices, drains, ditches, waterways, embankments *or* retaining walls [, and all bridges having a span of five feet or less]; and

(c) "Hard surface road" means a road the surface of which is asphalt, brick, stone block, macadam, concrete, gravel or other material of equal merit.

Section 2. Section 178.070 of the Kentucky Revised Statutes is amended to read as follows:

The [county] *fiscal* court may [, upon petition,] direct any county road [, bridge or landing other than a turnpike, bridge, or landing in which private citizens may hold a majority of the stock,] to be discontinued. Notice [of every such petition] must be published, according to the provisions of KRS 178.050, and in addition, notices must be placed at three public places in the vicinity of the road. [, bridge, or landing.] [Upon the petition, after] *After* the posting of notices as aforesaid, the [county] *fiscal* court shall appoint two viewers who, together with the county road engineer, shall view the road [or landing] and report in writing at the hearing what inconvenience would result from the discontinuance. Upon such report and other evidences, if any, the court may discontinue the road. [, bridge or landing, taking care not to discontinue a post road until another is established.]

Committee on Administrative Agencies reported **SB 106, SB 68, SB 89, SB 136** with the expression of opinion that same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 106, AN ACT relating to Public Assistance.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

KRS 205.230 is amended to read:

(1) The commissioner is authorized to appoint an appeal board for public assistance composed of the commissioner and two other members. The commissioner shall be chairman and he and one other member will constitute a quorum.

(2) Any applicant or recipient who is dissatisfied with the decision on his application or because of delayed action on his application for public assistance or because of the amount granted to him may appeal to the appeal board in the manner and form prescribed

by regulation. On receipt of such an appeal the applicant or recipient shall be given reasonable notice and opportunity for a fair hearing. The applicant or recipient shall be promptly notified of the decision together with the reasons therefor.

(3) Within twenty days after such decision, any party aggrieved thereby may secure judicial review thereof by filing a petition for review against the commissioner in the circuit court of the county in which the petitioner resides. The petition shall state fully the grounds upon which review in sought, assign all errors relied on, and shall be verified by the petitioner.

(4) With his answer, the commissioner shall certify and file with the court all documents and papers, and a transcript of all testimony taken in the matter, and orders made therein, together with the findings of fact and decision therein If consented to by the petitioner, an abstract of any portion of the record may be certified by the commissioner in lieu of certifying such portion of the record in full.

(5) The court in its review of such action shall hear the record as certified by the *commission* [commissioner], *but the court may hear new or additional evidence in its discretion after reviewing the record made by the board,* and [no other evidence shall be received.] *then* [The court] shall dispose of the cause in a summary manner, limiting its decision to a determination of *the case from all the record made by the board or before the court as to* whether or not:

(a) There was sufficient probative evidence to support the appeal board's order *with additional evidence heard by the court;*

(b) *By the regulations or upon the evidence the claimant is entitled to the relief sought* [The regulations upon which the order was based are reasonable];

(c) The *appeal board's action was arbitrary or unlawful* [appeal board acted arbitrarily, unlawfully,] or in such manner as to constitute an abuse of discretion, *and the court may hear such evidence to determine this question.*

(6) The court shall enter *a* judgment, *based upon all the record,* affirming, modifying, or setting aside the [order, or] decision, or in its discretion *may remand the case* [remanding the cause] to the appeal board for further proceedings in conformity with the direction of the *court's decision* [court].

SB 68, AN ACT relating to eye protective devices in public education.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. (1) Every pupil and teacher participating in certain vocational, industrial arts and chemical-physical courses or laboratories in which public money is expended shall be required to wear industrial quality eye protective devices.

(2) The following courses shall require the use of eye protective devices:

(a) Vocational or industrial art shops or laboratories involving experience with:

1. Hot molten metals;
2. Milling sawing, turning, shaping, cutting or stamping of any solid materials;
3. Heat treatment, tempering or kiln firing of any metal or other materials;
4. Gas or electric arc welding;
5. Repair or servicing of any vehicle;
6. Caustic or explosive materials.

(b) Chemical or combined chemical physical laboratories involving caustic or explosive devices.

Section 2. "Industrial quality eye protective devices" as used in this Act means devices meeting the standards of the American Standard Safety Code for head, eye and respiratory protection promulgated by the American Standards Association, Incorporated.

Section 3. These devices may be furnished to pupils and teachers by the district board of education, and they shall be furnished for use by all visitors to any classroom or laboratory as described in section 1 of this Act by the district board of education. The board of education may purchase these devices in large quantities and sell them at cost to pupils and teachers.

Section 4. Any person who willfully violates the provisions of this Act shall be fined not less than ten dollars nor more than five hundred dollars for each violation.

SB 89, AN ACT relating to unemployment insurance.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 341.030 of the Kentucky Revised Statutes is amended to read as follows:

(1) As used in this chapter, unless the context clearly requires otherwise, and except as provided in subsections (2) to (7) of this section, "wages" means all remuneration for services, including commissions, bonuses, and the cash value of all remuneration in any medium other than cash. The reasonable cash value of remuneration in any medium other than cash shall be estimated and determined in accordance with rules prescribed by the Commission.

(2) Amounts paid to traveling salesmen or other workers as allowance or reimbursement for traveling or other expenses, incurred on the business of the employing unit, constitute wages only to the extent of the excess of such amounts over such expenses actually incurred and accounted for by the worker to his employer.

(3) Gratuities and tips customarily received by a worker in the course of his employment from persons other than his employing unit do not constitute wages.

(4) "Wages" does not include the amount of any payment made to, or on behalf of, a worker under a plan or system established by an employing unit that makes provision for its workers generally or for a class of its workers, including any amount paid by an employing unit for insurance or annuities, or into a fund, to provide for any such payment, on account of:

(a) Retirement;

(b) Sickness or accident disability;

(c) Medical and hospitalization expenses in connection with accident or sickness disability; or

(d) Death, if the worker has not:

1. The option to receive, instead for such death benefit, any part of the payment, or if such death benefit is insured, any part of the premiums or contributions to premiums paid by his employing unit, and

2. The right, under the provisions of the plan or system or policy of insurance providing for such death benefit, to assign such benefit, or to receive a cash consideration in lieu of it either upon his withdrawal from the plan or system providing for such benefit or upon termination of such plan or system or policy of insurance or of his employment with such employing unit.

(5) "Wages" does not include the amount of any payment made by an employing unit without deduction from the remuneration of the worker of the tax imposed under Section 1400 of the Federal Internal Revenue Code.

(6) "Wages" does not include any dismissal payments which an employing unit is not legally required to make unless such payments are subject to a tax under a federal law imposing a tax against which credit may be taken for contributions required to be paid into a state unemployment fund.

(7) "Wages" does not, for the purposes of KRS 341.260 to 341.290, include that part of remuneration which, after wages equal to three thousand dollars have been paid to a worker by a subject employer with respect to covered employment during any calendar year, is paid

to such worker by such subject employer with respect to covered employment during such calendar year; *except that if the term "wages" as defined in the Federal Unemployment Tax Act is amended to include remuneration in excess of three thousand dollars, "wages" for the purpose of this Chapter shall include remuneration with respect to covered employment up to an amount equal to the amount specified* part of the remuneration is subject to a tax under a federal law im- *in such Federal Unemployment Tax Act, as amended.* [unless that posing a tax against which credit may be taken for contributions required to be paid into a state unemployment fund.] For the purpose of this subscetion wages paid to a worker by a predecessor subject employer shall be considreed as having been paid by its successor.

Section 2. Section 341.250 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any employing unit that becomes subject to this chapter within any calendar year shall be considered a subject employer during the whole of that calendar year, except as specifically provided in subsections (3) and (4) of this section or elsewhere in this chapter.

(2) Except as provided in subsections (3) and (5) of this section, a subject employer shall cease to be a subject employer only as of the first day of January of any calendar year if he files with the Division, *on or before* [prior to] the *fifteenth* [first] day of *April* [March] of that year, a written application for termination of coverage, and the covered employment performed for such subject employer within the preceding calendar year was not sufficient to render an employing unit a subject employer under subsections (1), (2), (3) *and* (4) [and (6)] of KRS 341.070. The Commissioner may, however, after notifying such employer in writing at his last known address, terminate the coverage of any subject employer as of the first day of January of any calendar year if such subject employer has had no individuals in covered employment in this state at any time during the three preceding calendar years, and the balance of such employer's reserve account may be immediately transferred to the pooled account.

(3) (a) Any employing unit not otherwise subject to this chapter that files with the Division its written election to become a subject employer for not less than two calendar years shall, with the written approval of such election by the Commissioner, become subject hereto to the same extent as all other subject employers, as of the date stated in such approval, but not with respect to the period previous to such date. Such subject employer shall cease to be subject hereto as of January 1 of any calendar year subsequent to such two calendar years, only if *on or before April 15* [prior to March 1] of such year, it has filed with the Division a written notice to that effect.

(b) Any employing unit for which services that do not constitute covered employment are performed, may file with the Division a written election that all such services performed by individuals in its employ in one or more distinct establishments or places of business shall be considered to constitute covered employment by a subject employer for all the purposes of this chapter for not less than two calendar years. Upon written approval of such election by the Commissioner, such services shall be considered to constitute covered employment from and after the date stated in such approval, but not with respect to the period previous to such date. Such services shall cease to be considered covered employment subject hereto as of January 1 of a calendar year subsequent to such two calendar years, only if *on or before April 15* [prior to March 1] of such year such employing unit has filed with the Division a written notice to that effect.

(4) An employing unit that becomes a subject employer under subsections (3) or (4) of KRS 341.070, shall become subject as of the date of acquisition.

(5) Notwithstanding the provisions of subsections (1), (2), and (3) of this section any subject employer whose entire reserve account has been transferred to a successor in interest as provided for in KRS 341.540 shall immediately cease to be a subject employer and shall thereafter become a subject employer only upon his future employment experience.

Section 3. Section 341.370 of the Kentucky Revised Statutes is amended to read as follows:

(1) According to the circumstances in each case, a worker shall be disqualified from receiving benefits or serving a waiting period:

(a) For not less than one nor more than sixteen weeks immediately following the commission of the disqualifying act, if, subsequent to his most recent work, he has failed without good cause either to apply for available, suitable work when so directed by the employment office or the Commissioner or to accept suitable work when offered him, or to return to his customary self-employment when so directed by the Commissioner; or

(b) For not less than six nor more than sixteen weeks immediately following the commission of the disqualifying act, if he has been discharged for misconduct connected with his most recent work, but legitimate activity in connection with labor organization or failure to join a company union shall not be construed as misconduct.

(2) A worker shall be disqualified from receiving benefits or serving a waiting period for the duration of any period of unemployment with respect to which:

(a) He was discharged for dishonesty in connection with his most recent work;

(b) He voluntarily quit his most recent work to marry or for the purpose of attending school, or to become self-employed; or

(c) He has left his most recent suitable work voluntarily without good cause.

(3) A worker shall be disqualified from receiving benefits for any week with respect to which he knowingly made a false statement to establish his right to or the amount of his benefits; and, within the succeeding twenty-four months, for such additional weeks immediately following the date of *discovery* [such determination], not to exceed a total of fifty-two, as may be determined by the Commissioner.

(4) No worker shall be disqualified under paragraph (b) of subsection (1) or subsection (2) of this section unless the employer, within a reasonable time as prescribed by commission regulation, notifes the Division and the worker in writing of the alleged voluntary quitting or the discharge for misconduct; provided, however, that nothing in this subsection shall restrict the right of the Commissioner to disqualify a worker whose employer has refused or failed to notify the Division of the alleged voluntary quitting or discharge for misconduct if such alleged voluntary quitting or discharge for misconduct is known to the Commissioner prior to the time benefits are paid to such worker; provided further, that the exercise of such right by the Commissioner, in the absence of timely notice from the employer, shall not relieve the employer's reserve account of benefit charges under the provisions of KRS 341.530 (3).

(5) As used in this section and in subsection (3) of KRS 341.530, "most recent" work shall be construed as that work which occurred after the first day of the worker's base period and which last preceded the week of unemployment with respect to which benefits are claimed; except that, if the work last preceding such week of unemployment was intermittent or temporary in nature, most recent work may be construed as that work last preceding such intermittent or temporary work.

Section 4. Section 341.530 of the Kentucky Revised Statutes is amended to read as follows:

(1) The Division shall maintain a reserve account for each subject employer, and shall, except as provided in KRS 341.590, credit to such account the total amount of all contributions paid by the employer on his own behalf. Nothing in this section or elsewhere in this chapter shall be construed to grant any employer or individual who is or was in his employ prior claims or rights to the amounts paid by him into the fund.

(2) Except as provided in subsection (3) of this section the benefits paid to an eligible worker for a week of unemployment shall

be charged proportionately against the accounts of those of his subject employers from whom he has base-period wages. The proportion so used shall be that ratio which is obtained by dividing the base-period wages of a worker from such employer by the total base-period wages of such worker, adjusted to the nearest multiple of one percent. For the purpose of this subsection a fractional part of a cent shall be disregarded unless it amounts to one-half cent or more, in which case it shall be increased to one cent.

(3) Notwithstanding the provisions of subsection (2) of this section, benefits paid to an eligible worker and chargeable to an employer's reserve account under such subsection shall be charged against the pooled account if such worker was discharged by such employer for misconduct connected with his most recent work for such employer, [or] voluntarily left his most recent work with such employer without good cause attributable to the employment, *or is receiving substantially the same wages from such employer that he recevied during his base period,* and the employer within a reasonable time, as prescribed by commission regulation, notifies the Division, in writing, of the alleged voluntary quitting, [or] discharge for misconduct *or continuing employment.*

(4) Each subject employer's reserve account shall, unless terminated or exhausted as of the computation date (as defined in subsection (4) of KRS 341.270), be charged with all benefits paid to eligible workers which are chargeable to such reserve account under subsection (2) of this section. A subject employer's reserve account shall be deemed to be terminated if he has ceased to be subject to this chapter, and his account has been closed and any balance remaining therein has been transferred to the fund's pooled account or to a successor's account as provided in KRS 341.540.

(5) Any subject employer may at any time make voluntary payments to the fund, additional to the contributions required under KRS 341.260 and 341.270, which shall be credited to his reserve account, according to the general rules established by the Commission.

Section 5. Section 341.540 of the Kentucky Revised Statutes is amended to read as follows:

(1) If a subject employer shall transfer or otherwise reorganize his entire organization, trade or business, the successor in interest is hereby required to assume the resources and liabilities of such employer's reserve account and to continue the payment of all contributions due under this chapter, except that the successor in interest shall not be required to assume the liability of any delinquent contributions of his predecessor or predecessors unless the Division notifies him of such delinquency within six months after the Division has notice of the transfer of ownership.

(2) The liability for delinquent contributions imposed upon the successor in interest by subsection (1) of this section shall be secondary to the liability of his predecessor or predecessors and if the delinquency has been reduced to judgment the order of execution on such judgment shall be as follows:

(a) Against the assets, both real and personal, of the predecessor or predecessors;

(b) Against the assets, both real and personal, of the business transferred; and

(c) Against the assets, both real and personal, of the successor in interest.

(3) Notwithstanding the provisions of subsection (1), any employing unit which acquires a portion of the organization, trade or business from an employer for whom a reserve account has been maintained by the Division, and who is, or by reason of such acquisition becomes, a subject employer, shall assume the position of such employer with respect to the resources and liabilities of such reserve account in proportion to the extent of such acquisition as agreed upon by the parties in interest and approved by the Commission, and the taxable payrolls, benefit charges and the potential benefit charges shall likewise be assumed by the successors in interest in a like proportion.

(4) *(a)* The contribution rate of a successor employing unit, whether in whole or in part, which was a subject employer at the time of such succession, shall not be affected by the transfer until the next computation date.

(b) The contribution rate of a successor employing unit which was not a subject employer prior to such succession, shall be the same as its predecessor, unless the successorship was in part only, in which event it contribution rate shall be two and seven-tenths percent until the next computation date.

(c) The contribution rate of a successor employing unit which was not a subject employer prior to such succession, which acquires simultaneously the organization, trade or business of two or more employing units for whom reserve accounts have been maintained, shall be determined as of the most recent computation date, in accordance with KRS 341.270, on the basis of the combined accounts transferred.

SB 136, AN ACT relating to Natural Resources Development.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. As used in this Act, unless the context otherwise requires:

(1) "Department" means the Department of Conservation;

(2) "Commissioner" means the Commissioner of Conservation;

(3) "Division" means the Division of Food Control and Water Resources Development;

(4) "Person" means persons, partnership or corporation;

(5) "Stream" means a course in which water regularly flows to drain a given area;

(6) "Channel" means the area between well defined banks in which water flows;

(7) "Floodways" means the area outside the banks of a channel which carries off flood waters;

(8) "Flood planes" means the area in a watershed that was inundated during the highest flood of record;

(9) "Watershed" means all of the area from which all drainage passes a given point downstream.

Section 2. Section 146.020 of the Kentucky Revised Statutes is amended to read as follows:

(1) The Department of Conservation shall be headed by a Commissioner of Conservation whose annual salary shall be determined under Section 64.640 of the Kentucky Revised Statutes.

(2) The Department shall be divided into a Division of Forestry, a Division of Soil and Water Resources, a Division of Strip Mining and Reclamation and [the] a *Division of* Flood Control and Water *Resources Development* [Usage Board].

Section 3. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) There is hereby created in the Department of Conservation a Division of Flood Control and Water Resources Development. The Director of the Division shall be appointed by the Commissioner of Conservation with the approval of the Governor. The Director, with the approval of the Commissioner, shall employ such personnel as is necessary to administer the functions of the Division.

(2) The Director, under the supervision of the Commissioner, shall exercise all functions relating to flood control and the development of water resources of the Commonwealth including the building of dams to impound water for flood control, municipal, industrial, agricultural and recreational purposes.

(3) The Division shall receive all General Funds appropriations made for flood control and water resources development functions.

Section 4. A new section of the Kentucky Revised Statutes is created to read as follows:

The Department of Conservation shall make a continuous water resources study of data from other existing state agencies and such other sources as may be available, pertaining to the findings of fact and policy of the General Assembly as expressed in KRS 262.670 and to formulate amendments to present and future water resources laws from time to time, to attain the maximum beneficial use of the water resources of the Commonwealth.

Section 5. Section 104.400 of the Kentucky Revised Statutes is amended to read as follows:

The *Division* [board] shall:

(1) Undertake for and as the official *agency* [body] of the state, such studies and prepare such reports and recommendations as may be necessary to establish a state-wide program of flood control (including major drainage), and a statewide program for the *development of water resources* [conservation of water for municipal and industrial usage].

(2) Study and review for the state as its official *agency* [body], all survey reports, engineering reports, and other reports concerning or affecting projects within the state which are proposed for construction by the Federal Government, the State Government or any agency or subdivision thereof, or which will involve the expenditure of Federal or State funds, and which might affect flood control or the development of water resources of the state [for municipal or industrial purposes], and to act as the official representative of the state in any representations, recommendations or requests to Congress or the General Assembly concerning such projects or the priority which should be accorded them with relation to the state-wide program.

(3) Have jurisdiction for flood control *and water resources development* purposes over all streams within or bordering upon the state [upon which any public funds have been or are hereafter expended for improvements], and shall have the authority to establish and enforce floodways along such streams. Notwithstanding any other provision of law, no person, and no city, county or other political subdivision of the state, including levee districts, drainage districts, flood control districts or systems, or similar bodies, shall commence the construction, reconstruction or improvement of any levee, dike, bridge, fill, embankment, *dam,* or other obstruction (except those constructed by the State Highway Department) across or along any stream unless

the plans and specifications have been submitted to and approved in writing by the *division* [board]. [No court may enter a final order establishing a levee district, drainage district, flood control system, or other organization to perform similar works, or approving or ordering the construction, reconstruction, relocation, improvement or enlargement of any project affecting flood control or the development of water resources for municipal or industrial purposes within the State, or the condemnation of any land for such purposes, until there has been filed with such court a written approval of such project by the board]. However, nothing in this section is intended to give the *division* [board] any jurisdiction or control over the construction, reconstruction, improvement, enlargement, maintenance or operation of any drainage district, ditch or system established for agricultural purposes, or to require approval of the *division* [board] for the same *except when in violation of Section 6 of this Act.*

[(4). Make studies and investigations of the water resources of the state and the problems of agriculture, industry, conservation, health, stream pollution and allied matters as they relate to flood control and protection and development of the water resourcse of the state for municipal and industrial usage].

(4) [(5)] Cooperate with any local, state or federal agency, or the agencies of any other state engaged or proposing to engage in any work which will affect or be affected by the functions of the *division* [board] and may lend to or receive from any such agency [such assistance as may be necessary for the overall coordination of purposes and results to be accomplished, including] such financial assistance as may be necessary within the limits of authorized expenditure.

[(6) Report to the Govrenor through the Commissioner of Conservation not less often than once each year, and as often as may be required by the Governor or made desirable by circumstances, the results accomplished since its last report; its future program and plans; and the status of any work or plans in progress].

(5) [(7)] Have authority to accept and use gifts, contributions, donations and grants, the same to be placed in a special trust or agency fund in the State Treasury in accordance with the provisions of KRS 41.290.

(6) *Adopt, with the approval of the Commissioner, rules and regulations pertaining to flood control and the development of water resources to accomplish the purpose of this chapter.*

Section 6. A new section of the Kentucky Revised Statutes is created to read as follows:

No person, city, county or other political subdivision of the state, including levee districts, drainage districts, flood control districts or systems, or similar bodies, shall deposit or cause to be deposited any matter, waste or debris that will in any way restrict or disturb the flow of water in the channel or in the floodway of any stream except as provided for in Section 5, Subsection 3, or to encroach in any way on the reservoir area of any dam authorized by the Congress of the United States, or designated to be built by the Commonwealth.

Section 7. Section 104.420 of the Kentucky Revised Statutes is amended to read as follows:

Any person, including municipalities, *or other agencies of the State or Federal Government,* to whom the *division* [board] has denied a permit to perform any construction, reconstruction, relocation, improvement or enlargement of any project affecting flood control or the *development* of water resources within the state, and who considers himself aggrieved thereby, may appeal the matter to the circuit court of the county in which the proposed project lies. The court shall hear the case without a jury, and the burden of proof shall be on the proponent of the project. Any final order issued by such court in the matter shall be subject to appeal to the Court of Appeals, in the same manner as declaratory judgment suits.

Section 8. Section 104.430 of the Kentucky Revised Statutes is amended to read as follows:

On its own initiative or when so directed by the Governor [or the General Assembly], the *division* [board] shall make a preliminary survey and report of any project which involves or might involve expenditure of state funds or construction work by the State of Kentucky in the construction, reconstruction, or maintenance of any flood control works or other works concerning or affecting the *development* [usage] of water *resources* [for municipal or industrial purposes]. If the *division* [board] finds from such preliminary survey that the project is not favorable, no further action shall be taken on such project without specific instructions or authorization by the General Assembly. If the *division* [board] finds from such preliminary survey that such project is favorable on a basis of need, economic value or future development, it shall, upon its own initiative or upon direction by the Governor [or the General Assembly], cause a comprehensive final survey and report to be prepared, and submit such report to the *Governor* [General Assembly] for approval and authority to perform the necessary construction work. [Except in cases of emergency, as defined in KRS 104.410, no funds appropriated for the purpose of KRS 104.390 to 104.440 shall be expended in the construction, reconstruction or maintenance of any such project until and unless a comprehensive report of such project has been submitted to and approved by the General Assembly].

Section 9. A new section of the Kentucky Revised Statutes is created to read as follows:

Any person, agency or municipality who violates any of the provisions of KRS 104.400, or who fails or refuses to obtain a permit as provided herein, or who violates any determination or order promulgated pursuant to the provisions of this Act shall be liable to a civil penalty of not more than $1.000.00 for said violation and in addition may be enjoined from continuing such violation. Such penalties shall be recoverable in an action brought in the name of the Commonwealth of Kentucky in the Franklin Circuit Court or in the circuit court having jurisdiction of the defendant or action for a restraining order or temporary or permanent injunction. Each day upon which such violation occurs shall constitute a separate offense.

Section 10. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) The mayor or chief executive officer of each city and the county judge of each county shall, for the purpose of this Act, be deemed deputies of the commissioner and shall have the concurrent duty of enforcing with the Commissioner, within their respective city and county the provisions of Section 5 (3) and Section 6 of this Act and rules and regulations issued thereunder.

(2) Whenever the division by rule or regulation, prescribes a standard under this Act, such rule or regulation shall establish a minimum requirement concerning the matter covered thereby and shall be so construed in relation to any local rule or regulation.

(3) The Commonwealth Attorney or County Attorney shall initiate and prosecute appropriate abatement proceedings by injunction or otherwise, for the prevention or correction of any condition constituting or threatening to constitute a violation of this Act. The institution or pendancy of a proceeding pursuant to this subsecion shall not bar the imposition or any penalties or the securing of any other relief provided by this Act, or rules or regulations promulgated thereunder.

(4) When so requested by the Circuit Court Clerk, the County Court Clerk, the Commonwealth Attorney or the County Attorney, the State police shall serve such orders, judgments or summons that are issued by this court pursuant to the provisions of this Act.

Section 11. Sections 104.390, 104.410, 104.440 and 262.675 of the Kentucky Revised Statutes are repealed.

Committee on Administrative Agencies reported **SB 54** with the expression of opinion that same should pass with the Committee Amendment attached thereto. Read at length for the first time and ordered placed in the Calendar.

SB 54, AN ACT relating to suspension of drivers licenses.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

(1) The Department of Public Safety shall create, in each county, one or more boards of review to review the suspension of drivers licenses of persons determined by the department to be habitually reckless or negligent drivers under KRS 186.570 subsection (1) (d) and the departmental regulations recorded and filed pursuant thereto.

(2) The board consists of three members. One member to be appointed by the Department of Public Safety from list of nominees submitted by the County Ministerial Association; one member to be appointed by the Department of Public Safety from list of nominees submitted by the officers of the chapter or chapters of the Kentucky Educational Association within the county; one member to be selected by the other two who is not to be active in politics. The board shall serve without compensation. Each member shall be appointed for a term of one year which term shall commence on July 1.

(3) The review proceeding shall be initiated by a written request for review to the chairman of the board by the person whose license has been suspended. The request shall contain a statement of reasons for review. The chairman shall have the discretion to grant or refuse the request.

(4) The board upon review shall inquire into all factors concerning the case, including the history and background of the driver. After review, the board shall make an order as it believes will best serve the interests of the community and the individual. The order may modify or stay the suspension of the department and may provide for the re-education or rehabilitation of the driver.

(5) A five dollar fee shall be imposed upon each person who requests a review, two dollars shall be paid to the county court clerk who shall keep the records of the board. The remainder of the fee shall be placed in a special fund to be administered by the Department of Public Safety to meet the necessary expenditures of the boards.

Said Committee Amendments to **SB 54** is as follows:

Amend printed copy of Senate Bill 54 on page 2, line 17, by:

Deleting the word "county" and inserting in lieu thereof the word "circuit."

Committee on Administrative Agencies reported **SB 30** with the expression of opinion that same should pass with the Committee Amendment attached thereto. Read at length for the first time and ordered placed in the Calendar.

SB 30, AN ACT relating to the State Police.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 16.050 is amended to read:

(1) The commissioner shall appoint or promote to the ranks and grades and positions of the department such officers and civilians as are considered by him to be necessary for the efficient administration of the department. Such officers and civilians shall receive such compensation as shall be fixed by the commissioner; *provided that the compensation for officers and radio dispatchers shall be the same; and* provided the compensation for all personnel [same] shall reasonably conform to the standards established by the Division of Personnel in the Department of Finance.

(2) All initial appointments of officers to the department shall be made for merit and fitness after a competitive examination.

(3) There is hereby created a State Police Personnel Board consisting of the Commissioner and four other members to be appointed by the Governor, two to be appointed from each of the two major political parties.

(4) The initial appointment of members of the board shall be for terms of one, two, three and four years. Thereafter each appointment shall be for a term of four years, except that a person appointed to fill a vacancy occurring prior to the expiration of a term shall be appointed for the remainder of that term.

(5) Members of the board may be removed by the Governor only for cause, after being given a copy of charges against them and an opportunity to be heard publicly on such charges before the Governor.

(6) The board shall elect one of its members chairman. It shall meet at such time and place as shall be specified by call of the commissioner. Three members shall constitute a quorum for the transaction of business. Members of the board other than the commissioner shall receive compensation of twenty-five dollars and reimbursement of travel expenses for each meeting of the board which they attend.

(7) The board shall make rules and regulations to carry out the purposes herein, which shall include provisions for:

(a) Open competitive examination as to fitness of applicants for employment as officers;

(b) Establishment of eligible lists as a result of such competitive examinations, from which lists, vacancies shall be filled.

(8) The board shall hear appeals from applications for employ-

ment for which examinations for being given or have been conducted and from eligibles on examination registers subject to the procedural rules which the board may adopt pursuant to the provisions of this section.

Section 2. KRS 16.520 is amended to read:

(1) Membership in the *State Police Retirement System* shall consist of all officers of the Kentucky State Police on July 1, 1958, who are entitled to exercise the powers of peace officers, and who hold permanent rank in the Division of State Police up to and including the rank of captain, and all persons who become such officers subsequent to July 1, 1958, *and all radio dispatchers of the Kentucky State Police.*

(2) After July 1, 1958, no person who is age thirty-one or over shall be eligible to become an employe of the Kentucky State Police.

Said Committee Amendment to **SB 30** is as follows:

Amend printed copy of Senate Bill No. 30 on page 1, line 7, by:

Deleting the word "officers" and inserting in lieu thereof the word "troopers."

Committee on Administrative Agencies reported **SB 143** with the expression of opinion that same should pass with the Committee Amendment attached thereto. Read at length for the first time and ordered placed in the Calendar.

SB 143, AN ACT relating to secured transactions.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 355.9-302 is amended to read:

(1) A financing statement must be filed to perfect all security interests except the following:

(a) a security interest in collateral in possession of the secured party under KRS 355.9-305;

(b) a security interest temporarily perfected in instruments or documents without delivery under KRS 355.9-304 or in proceeds for a ten day period under KRS 355.9-306;

(c) a purchase money security interest in farm equipment having a purchase price not in excess of $2500; but filing is required for a fixture under KRS 355.9-313 or for a motor vehicle required to be licensed;

(d) a purchase money security interest in consumer goods; but filing is required for a fixture under KRS 355.9-313 or for a motor vehicle required to be licensed;

(e) an assignment of accounts or contracts rights which does not alone or in conjunction with other assignments to the same assignee transfer a significant part of the outstanding accounts or contract rights of the assignor;

(f) a security interest of a collecting bank (KRS 355.4-208) or arising under the Article on Sales (see KRS 355.9-113) or covered in subsection (3) of this section; [.]

(g) a security interest in property, including after acquired property, under a mortgage or security agreement creating a lien upon real and personal property, executed by a railroad or public utility corporation and recorded and filed pursuant to the applicable provisions of the Kentucky Revised Statutes.

(2) If a secured party assigns a perfected security interest, no filing under this article is required in order to continue the perfected status of the security interest against creditors of and transferees from the original debtor.

(3) The filing provisions of this article do not apply to a security interest in property subject to a statute

(a) of the United States which provides for a national registration or filing of all security interests in such property; or

(b) of this state which provides for central filing of, or which requires indication on a certificate of title of, such security interests in such property.

(4) A security interest in property covered by a statute described in subsection (3) can be perfected only by registration or filing under that statute or by indication of the security interest on a certificate of title or a duplicate thereof by a public official.

Section 2. KRS 382.340 is amended to read:

(1) Mortgages executed by corporations, organized under the laws of Kentucky, authorized to operate railroads, motor transportation lines, electric light, heat and power plants, water plants, telegraph and telephone lines, which cover right of ways, franchises, pipe lines, pole lines, easements, railroad tracks, engines, cars, motor equipment or any tangible personal property, *or after-acquired personal property of whatever kind,* shall be duly acknowledged as required by law and recorded as mortgages on real estate are required to be recorded *only* in the county *in Kentucky* in which the principal office of the corporation is located.

(2) If the mortgage covers other real property in addition to right of ways, franchises, pipe lines, pole lines, easements, railroad tracks, engines, cars, motor equipment or tangible personal property, then the mortgage shall also be recorded in each county in which such

other real property [used as right of ways other than right of ways for pole lines] is located.

(3) When such mortgage is lodged for record, as herein provided, it shall be effective against purchasers for a valuable consideration without notice and against creditors as defined in KRS 382.270.

Said Committee Amendment to **SB 143** is as follows:

Amend printed copy of SB 143 on page 3, lines 3 and 4, by:

Deleting the following: ", organized under the laws of Kentucky,".

Committee on Transportation and Highways reported **SB 42** with the expression of opinion that same should pass with the Committee Amendment attached thereto. Read at length for the first time and ordered placed in the Calendar.

SB 42, AN ACT relating to motor vehicles.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. The operator of any motor truck, semi-trailer truck, bus or heavy construction equipment which has load capacity of more than two tons, when upon a public highway which contains one or two traffic lanes, shall not overtake or pass another motor vehicle at a speed greater than forty-five miles per hour.

Said Committee Amendment to **SB 42** is as follows:

Amend printed copy of Senate Bill 42 on page 1, line 5, by:

deleting the word "forty-five" and inserting in lieu thereof the word "fifty", and page 1, line 6, by inserting on the same line the following:

"This section does not apply to the operation of vehicles on any highway which has more than one lane for traffic moving in the same direction. Any person who violates any provision of this section is subject to the penalty provided in KRS 189.990 (2) (b)."

Calendar

SB 111, SB 87, SB 84, HB 20, HB 82, HB 76, SB 93, SB 135, SB 134, SB 133, SB 25 with committee amendment, **SB 119, SB 76, SB 75, SB 105, SB 44** with committee substitute, **SB 53** with committee amendment, taken from the Calendar and ordered read at length for the second time. Senator Gardner moved that they be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

Orders of the Day

The President vacated the chair. President Pro Tempore, Senator James Ware presiding.

SB 109 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the Previous Question on **SB 109.** Agreed.

On the roll call the vote was yeas 31—Billington, Blue, Brand, Brizendine, Buckman, Derickson, Duffy, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, D. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Ware. Nays 0.

SB 109 was passed and the title agreed to.

Senator Blue moved that the vote by which **SB 109** was passed be reconsidered and that said motion be laid on the table. Agreed.

HB 1 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that **HB 1** retain its place in Orders of the Day. Agreed.

Announcements

Senator Gardner, Chairman of the Committee on Appropriations, announced a Public Hearing on **HB 222** for 3:00 P.M., Monday, February 24, in the Senate Chamber.

Senator Palmer, Chairman, announced a meeting of the Committee on Agriculture and State Fair for 11:00 A.M., Tuesday, February 25, in Room 318.

Senator Gardner moved that the Senate adjourn until 8:00 P.M., Monday, February 24. Agreed.

MONDAY, FEBRUARY 24, 1964

THIRTY-EIGHTH LEGISLATIVE DAY

The Senate was called to order by the President.

Prayer by the Reverend Herman M. Bowers of the First Baptist Church of Frankfort.

The roll was called. All present except Senator Fuqua, who was granted leave of absence on motion of Senator Gardner.

Reading of the Journal for February 21 dispensed with and the same approved on motion of Senator Gardner.

House Message

Announcing passage of **HB 150, HB 105, HB 72, HB 217, HB 203, HB 220, HB 4, HB 231, HR 31, SB 5, SB 13, SB 52, SB 18** with amendment.

Report on Enrolled Bill

Committee on Enrollment reported that **SB 8** had been examined and found correctly enrolled. **SB 8** read at length, compared, and signed in open session by the President. Ordered delivered to the House.

SB 8 delivered, signed by Speaker. Ordered delivered to the Governor.

Motions, Petitions and Communications

Senator VanHoose moved to take **SR 20** from the Clerk's desk and place it on its passage. Said motion was seconded by Senator Kinkead.

On the roll call the vote was yeas 12—Gay, Howard, D. Johnson, Kinkead, Layne, McGinty, Miller, Mobley, Newberry, Spence, Swope, Van Hoose. Nays 18—Bonn, Brand, Brizendine, Buckman, Cobb, Derickson, Duffy, Edwards, Gardner, Kelly, Kidwell, Kiser, McCann, Nichols, Palmer, Raybourne, Turner, Ware.

The motion to adopt the Previous Question on the motion to take **SR 20** from the Clerk's desk was defeated.

The President ordered a roll call on Senator VanHoose's motion to take **SR 20** from the Clerk's Desk.

On the roll call the vote was yeas 14—Duncan, Fuqua, Gay, Howard, D. Johnson, Kinkead, Layne, McGinty, Miller, Mobley, Newberry, Spence, Swope, Van Hoose. Nays 23—Billington, Blue, Bonn, Brand, Brizendine, Buckman, Cobb, Derickson, Duffy, Edwards, Engle, Gardner, Garrett, F. Johnson, Kelly, Kidwell, Kiser, McCann, Nichols, Palmer, Raybourne, Turner, Ware.

The motion to take **SR 20** from the Clerk's Desk was defeated.

Introduction of Bills and Resolution

SB 178, by Senator Nichols: AN ACT relating to the payment of wages to employes.

SB 179, by Senator Billington: AN ACT relating to insurance.

SB 180, by Senator Buckman: AN ACT relating to entertainment booking agents.

SB 181, by Senators Howard and Kinkead: AN ACT relating to the State Board of Elections.

SR 28, by Senator Kelly: A CONCURRENT RESOLUTION commemorating the memory of the Honorable Addison Everett.

WHEREAS, Addison Everett, prominent Maysville banker, merchant and farmer, whose years of public service, both in and out of politics, have contributed immeasurably to the welfare and growth of Kentucky; and

WHEREAS, Addison Everett, who was voted the most interesting personality of the House of Representatives in 1954, represented Mason County ably and well as a member of that legislative body from 1954 to 1958; and

WHEREAS, as majority floor leader of the House of Representatives, Addison Everett supplied the General Assembly with those qualities of leadership necessary for efficient and effective government; and

WHEREAS, his recent death has deprived the Commonwealth of one of its outstanding citizens.

NOW, THEREFORE,

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky; the House of Representatives concurring therein:

Section 1. That the General Assembly pay tribute to this great man on this day by adjourning in memory of him.

Section 2. That a copy of this resolution commemorating the memory of Addison Everett be sent to his family.

Senator Kelly moved the adoption of **SR 28.** Agreed.

Report of Committees

Committee on Administrative Agencies reported **SB 58** with the expression of opinion that same should pass, with the Committee Amendments attached thereto. Read at length for the first time and ordered placed in the Calendar.

SB 58, AN ACT relating to traffic regulations.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Subsection (8) of Section 189.040 of the Kentucky Revised Statutes is amended to read as follows:

(8) Flashing lights are prohibited on all motor vehicles except as a means for indicating a right or left turn. This subsection shall not apply to authorized emergency vehicles or wreckers; [nor] to public utility repair vehicles at the scene of an emergency repair job; [nor] to any vehicles operated by mail carriers while on duty [.] *; to highway equipment while performing work that requires stopping and standing or moving at slow speeds within the traveled portions of highways; or to school buses.*

Section 2. Subsection (5) of Section 189.340 of the Kentucky Revised Statutes is amended to read as follows:

(5) Whenever any roadway has been divided into three [or more] clearly marked lanes for travel the following additional rules shall apply:

(a) A vehicle shall be driven as nearly as may be practical entirely within a single lane and shall not be moved from that lane until the driver has first ascertained that the movement can be made with safety;

(b) A vehicle shall not be driven in the center lane except when overtaking and passing another vehicle where the roadway is clearly visible and the center lane is clear of traffic within a safe distance, or in preparation for a left turn or where a center lane is at the time allocated exclusively to traffic moving in the direction in which the vehicle is proceeding and is signposted to give notice of the allocation;

(c) Official signs may be erected directing slow-moving traffic to use a designated lane or allocating specified lanes to traffic moving in the same direction and operators of vehicles shall obey the directions of such signs.

Section 3. Subsection (1) of Section 189.370 of the Kentucky Revised Statutes is amended to read as follows:

(1) Whenever any school bus or church used in the transportation of children is stopped upon a highway for the purpose of receiving or discharging passengers, the operator of a vehicle approaching from any direction shall bring his vehicle to a complete stop and shall not start up or attempt to pass until the bus has completed receiving or discharging passengers and has been put into motion [.] *; provided, that this stop requirement shall not apply to vehicles proceeding in the opposite direction from a church or school but which is stopped upon a highway where multi-lane roadways providing for opposite directions of travel are separated by a raised, depressed, mountable or non-mountable median.*

Section 4. Section 189.375 of the Kentucky Revised Statutes is amended to read as follows:

No school bus shall be licensed or operated for the transportation of school children unless it has a folding sign on the drivers side thereof with letters at least 6" in height displaying the word "Stop" on both sides. Upon stopping the school bus the driver shall open out the sign so that it will be plainly visible to traffic approaching from both directions. No driver shall stop a school bus for loading or unloading purposes in a no passing area such as a hill or curve which does not afford reasonable visibility to approaching motor vehicles from both directions. *No driver shall stop a school bus or church bus and allow it to remain standing for the purpose of discharging passengers whose immediate destination is on the opposite side of the road or to receive passengers waiting on the opposite side of the road on a divided highway where the roadways provided for opposite directions of travel are separated by a median; provided, that this provision does not prohibit the discharging of passengers who desire to cross the highway at a marked pedestrian crossing after the bus has proceeded.*

Section 5. Subsection (3) of Section 189.560 of the Kentucky Revised Statutes is amended to read as follows:

(3) At crossings designated "unsafe," the Department shall place and maintain on each side of the tracks on the right side of the highway, *at the marked stopping position or if the stopping position is not marked, on the pavement not more than 25' in advance of the track an octagonal shape sign of a type and size currently approved for use by the Department bearing the word "Stop" in white letters not less than 10" in height.* [not more than one hundred feet from the track, a signboard not less than six feet from the ground, eighteen inches by thirty-six inches, with the inscription "Stop—Kentucky Law."]

Committee Amendment #1 to **SB 58** is as follows:

Amend printed copy of Senate Bill 58 on page 3, line 1, by: After the word "school" substituting the word "bus" for "but"

Committee Amendment #2 to **SB 58** is as follows:

Amend printed copy of Senate Bill 58 on page 3, line 10, by: Substituting the word "Before" for the word "Upon" and after the word "bus" insert the words "and while loading or discharging school children".

Senator Miller stated that the Chairman of the Committee on Municipalities had not called a Committee meeting.

Senator Miller moved that the Senate hear Committee Reports in the absence of said bills.

The chair ruled that a majority of the Senate could force the Chairman of the Committee to produce the bills.

The Chairman of the Committee on Municipalities, Senator McCann, had previously returned the bills to the Chief Clerk.

Senator Duffy moved that Senator Miller's motion be tabled until Friday, February 28.

Senator Duffy withdrew said motion.

Senator Buckman moved to recommit said bills under discussion to the Committee on Municipalities. Agreed.

Calendar

HB 222 with committee amendment, **HB 70, SB 137, SB 106, SB 68, SB** 89, **SB** 136, **SB** 54, **SB** 30. **SB** 143, **SB** 42 taken from the Calendar and ordered read at length for the second time. Senator Gardner moved that they be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

Orders of the Day

HB 1 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the Previous Question on **HB** 1. Agreed.

On the roll call the vote was yeas 33—Billington, Blue, Bonn, Brand, Brizendine, Cobb, Derickson, Duffy, Edwards, Engle, Gardner, Garrett, Howard, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer,Raybourne, Spence, Turner, Van Hoose, Ware. Nays 0.

HB 1 was passed and the title agreed to.

Senator Gardner moved that the vote by which **HB 1** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 111 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner that **SB 111** retain its place in the Orders of the Day. Agreed.

SB 87 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Buckman moved the Previous Question on **SB 87.** Agreed.

On the roll call the vote was yeas 34—Billington, Blue, Bonn, Brand, Brizendine, Buckman, Cobb, Derickson, Duffy, Edwards, Engle, Gardner, Garrett, Howard, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Turner, Van Hoose, Ware. Nays 0.

SB 87 was passed and the title agreed to.

Senator Buckman moved that the vote by which **SB 87** was passed be reconsidered and that said motion be laid on the table. Agreed.

Senator Gardner moved that **SB 84** retain its place in Orders of the Day. Agreed.

Senator Gardner moved that **HB 20** retain its place in the Orders of the Day. Agreed.

Senator Gardner moved that **HB 82** be recommitteed to the Committee on State and County Governments. Agreed.

Announcements

Senator Spence, Chairman, announced a meeting of the Committee on Health and Welfare after adjournment on Tuesday, February 25, in Room 327.

Senaor Kelly, Chairman, announced a meeting of the Committee on Executive and Legislative Affairs after adjournment on Tuesday, February 25, in the Senate Chamber.

Senator Billington, Chairman, announced a meeting of the Committee on Ways and Means at 12:15 P.M., Tuesday, February 25, in Room 327.

Senator Edwards, Chairman, announced a meeting of the Committee on State and County Government after adjournment Tuesday, February 25, in Room 318.

Senator Garrett, Chairman, announced a meeting of the Committee on Judiciary after adjournment on Tuesday, February 25, in Room 319.

Senator Palmer, Chairman, announced a meeting of the Committee on Agriculture, at 11:00 A.M., Tuesday, February 25, in Room 318.

Senator VanHoose, Chairman, announced a hearing of the Committee on Conservation, at 10:00 A.M., Tuesday, February 25, in the Governor's Reception Room.

Senator Gardner, Chairman, announced a meeting of the Committee on Appropriations at 10:00 A.M., Tuesday, February 25 in the Senate Chamber.

Senator McCann, Chairman, announced a Public Hearing on the bills pertaining to the Sunday Closing Law for 10:00 A.M., Thursday, February 27, in the Senate Chamber.

Reference of Bills

The Clerk announced that the following bills had been referred:

Conservation: **SB 163**

State and County Government: **SB 164, SB 166**

Administrative Agencies: **SB 165, SB 167, SB 170**

Judiciary: **SB 168, SB 177**

Ways and Means: **SB 169, SB 174, HB 191, HB 72**

Education: **SB 171, SB 172, SB 173, HB 52, HB 127**

Municipalities: **SB 175, SB 176**

Suffrage, Elections and Constitutional Amendments: **HB 27, HB 42**

Highways and Transportation: **HB 161, HB 201**

Agriculture: **HB 181**

Senator Gardner moved that the Senate adjourn until 1:00 P.M., Tuesday, February 25. Agreed.

TUESDAY, FEBRUARY 25, 1964

THIRTY-NINTH LEGISLATIVE DAY

The Senate was called to order by the President.

Prayer by the Reverend James A. Shepherd of the First Methodist Church of Frankfort.

The roll was called. All Senators present.

Reading of the Journal for February 24 dispensed with and the same approved on motion of Senator Gardner.

Introduction of Bills

SB 182, by Senator Billington: AN ACT relating to insurance.

SB 183, by Senators McCann, Raybourne and Engle: AN ACT relating to medical examiners and post-mortem examinations.

SB 184, by Senators Howard and Kelly: AN ACT relating to sales taxes.

SB 185, by Senators Layne and McGinty: AN ACT relating to the publication, distribution and exhibition of certain reading material, photographs and film.

SB 186, by Senator Layne: AN ACT relating to political contributions.

SB 187, by Senators Raybourne, McCann and Engle: AN ACT relating to coroners and the duty of persons finding or possessing a dead body.

SB 18 taken from the Clerk's Desk for concurrence in the House Amendment thereto.

Senator Duffy moved taht **SB 18**, with House Amendment attached, be recommitted to the Committee on State and County Governments. Agreed.

Report of Committees

Committee on Ways and Means reported **SB 107**, **SB 151**, **HB 123** with the expression of opinion that same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 107, AN ACT relating to prosecuting attorneys.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 69.530 is amended to read:

(1) The prosecuting attorney in cities of the third class shall receive thirty percent of all the fines and forfeitures recovered in the police court that are collected and paid into the city treasury. The percentage shall be ascertained from the monthly settlements of the marshal and paid upon order of the legislative body.

(2) The council may, by ordinance enacted prior to his election provide for payment to the prosecutor of a salary in lieu of fines and forfeitures.

SB 151, AN ACT relating to embalmers and funeral directors.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

KRS 316.130 is amended to read:

Section 1. (1) No license granted under this chapter shall be issued or renewed for a period exceeding one year. Every license and renewal shall expire on July 31 following the date of its issuance unless sooner revoked or cancelled.

(2) Every licensed embalmer and every licensed funeral director who desires to continue to practice shall have his license renewed by filing an application for renewal with the secretary of the state board each year within thirty days next before the expiration of his license, upon blanks furnished by the board. He shall pay a renewal fee of *ten* [five] dollars.

(3) No license granted under this chapter shall be transferrable.

HB 123, AN ACT relating to audit of accounts of city officers and officers of municipally owned utilities in certain cities.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. (1) In all cities of the second class, whether operating under the councilmanic form of government, or under the commission or city manager manager form of government, an annual audit of all the accounts of all city officers and of officers of municipally owned utilities, shall be made at the termination of each fiscal year. The legislative body of the city and the officers of the municipally owned utilities shall select, to make the audits, qualified public accountants who have no personal interest in the financial affairs of the city or of any of its officers or employes, and shall cause a summary of each audit to be published pursuant to KRS Chapter 424. The summary of each audit shall contain a balance sheet, profit and loss statement, and shall show the bonded indebtedness and any discrepancy disclosed by the audit. A copy of the audit of each officer or agency shall be kept on file in the respective offices. Within one week after publication of the audit, a complete copy of each audit shall be filed in the office of the county court clerk. The legislative body may at any time provide for an examination or audit of the accounts of any officer or department of the city.

(2) Compliance with the provisions of this Act shall be in lieu of the requirements of KRS 424.220.

Section 2. KRS 92.405 is amended to read:

In all cities of the [second,] third [,] or fourth class, whether operating under the councilmanic form of government or under the commission nor city manager form of government, an annual audit of all the accounts of all city officers shall be made at the termination of each fiscal year. The legislative body of the city shall select, to make the audit, qualified public accountants who have no personal interest in the financial affairs of the city or of any of its officers or employes. The legislative body shall cause the complete report of the auditors to be published in the newspaper with the largest bona fide circulation in the city, and in pamphlet form, and a copy of the report in pamphlet form shall be given to each voter who applies for it at the proper office. The legislative body may at any time provide for an examination or audit of the accounts of any officer or department of the city.

Committee on Agriculture and State Fair reported **SB 159** with the expression of opinion that same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 159, AN ACT relating to the sale of farm products by the Department of Fish and Wildlife Resources.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. On and after the effective date of this act it shall be unlawful to sell or present for sale, any tobacco, corn, grain, or other farm products, produced under the direction or control of the Department of Fish and Wildlife Resources.

Section 2. This Act becomes effective January 1, 1965.

Calendar

SB 58 taken from the Calendar and ordered read at length for the second time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

Orders of the Day

Senator Gardner moved that **HB 222** be recommitted to the Committee on Appropriations. Agreed.

Report on Enrolled Bills

Committee on Enrollment reported that **SB 5, SB 13, SB 52** had been examined and found correctly enrolled. **SB 5, SB 13, SB 52** read at length, compared, and signed in open session by the President. Ordered delivered to the House.

SB 5, SB 13, SB 52 delivered, signed by Speaker. Ordered delivered to the Governor.

Recess

Senator Gardner moved that the Senate recess for the purpose of having a meeting of the Committee on Appropriations, Agreed.

At the appointed hour the President resumed the chair and called the Senate to order.

Senator Gardner moved that the Rules be suspended for the purpose of having a committee report. Agreed.

Report of Committee

Committee on Appropriations reported **HB 222** with the expression of opinion that the same should pass. Ordered placed in Orders of the Day.

Orders of the Day (Continued)

HB 222, with committee amendment attached thereto, taken from Orders of he Day and ordered read a lengh for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the adoption of Committee Amendment No. 1 to **HB 222**. Agreed.

Committee Amendment No. 2 to **HB 222** is as follows:

Amend printed copy of HB 222 on page 24, line 2, by:
deleting:
“1964-65 ------------------------------------ $500,000”
and on page 5, line 17, by amending lines 17 to read:
“1964-65 ------------------------------------ $1,000,000”
and by making the following corrections in totals:

page 6, line 2 to read:
"1964-65 -- $1,387,625"
page 26, by amending line 9 to read:
"1964-65 -- $8,839,730"

Senator Gardner moved the adoption of Committee Amendment No. 2 to **HB 222.** Agreed.

On the roll call the vote was yeas 37—Billington, Blue, Bonn, Brand, Brizendine, Buckman, Cobb, Derickson, Duffy, Duncan, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, Howard, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Miller, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 1—Mobley.

HB 222, as amended, was passed and the title agreed to.

Senator Gardner moved that the vote by which **HB 222,** as amended, was passed be reconsidered and that said motion be laid on the table. Agreed.

Report on Enrolled Bill

Committee on Enrollment reported that **HB 1** had been examined and found correctely enrolled. **HB 1** read at length, compared, and signed in open session by the President. Ordered delivered to the House.

Announcement

Senator Bonn, Chairman, announced a meeting of the Committee on Transportation and Highways for 11:00 A.M., Wednesday, February 26, in Room 318.

Senator Kinkead, Chairman, announced a meeting of the Committee on Suffrage, Elections and Constitutional Amendments for 11 A.M., Wednesday, February 26, in Room 327.

Senator Edwards, Chairman, announced a meeting of the Committee on State and County Governments after adjournment today in Room 318.

Senator Kelly, Chairman, announced a meeting of the Committee on Executive and Legislative Affairs after adjournment today in the Senate Chamber.

Senator Ware, Chairman, announced a meeting of the Committee on Banking at 11:00 A.M., Thursday, February 27, in Room 318.

Senator Spence, Chairman, announced a meeting of the Committee on Health and Welfare after adjournment today in Room 327.

Senator McCann, Chairman, announced a Public Hearing at 10:00 A.M., Thursday, February 27, in the Senate Chamber.

Senator Turner, Chairman, announced a meeting of the Committee on Education after adjournment today in Room 327.

Reference of Bills and Resolution

The Clerk announced that the following bills had been referred:

Executive and Legislative Affairs: **SB 178**

Banks and Insurance: **SB 179, SB 182**

Administrative Agencies: **SB 180, SB 183, SB 187**

Suffrage, Elections and Constitutional Amendments: **SB 181**

Revenue and Taxation: **SB 184**

Ways and Means: **SB 185, SB 186, HB 150**

State and County Governments: **HB 4, HB 220, HB 231**

Municipalities: **HB 105**

Health and Welfare: **HB 203, HR 31**

Education: **HB 217**

Senator Gardner moved that the Senate adjourn until 12:00 Noon, Wednesday, February 26. Agreed.

WEDNESDAY, FEBRUARY 26, 1964
FORTIETH LEGISLATIVE DAY

The Senate was called to order by the President.

Prayer by the Reverend Robert J. Laughlin of the First Presbyterian Church of Frankfort.

The roll was called. All present except Senators Duffy, Duncan and Turner, who were granted leave of absence on motion of Senator Gardner.

Reading of the Journal for February 25 dispensed with and the same approved on motion of Senator Gardner.

House Message

Announcing passage of **HB 5, HB 38, HB 78, HB 46, HB 117, HB 125, HB 176, HB 194, HB 207, HB 225, HB 229, HR 17, SB 7, SB 19.**

Introduction of Bills and Resolution

SR 29, by Senators Gay and Mobley: A CONCURRENT RESOLUTION urging Congress to appropriate funds to rehabilitate Eastern Kentucky.

WHEREAS, Eastern Kentucky has attracted widespread attention as an economically depressed area; and

WHEREAS, relief of a permanent nature is necessary if Eastern Kentuckians are to become self supporting; and

WHEREAS, a program of federal aid to this area to enhance its possibilities as an industrial and recreational area is urgently needed;

NOW, THEREFORE,

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky; the House of Representatives concurring therein:

That the Congress of the United States be and hereby is respectfully urged to appropriate necessary funds for flood control projects, federal highway construction, and creation of recreational areas in Eastern Kentucky; and that a copy of this resolution be forwarded to the Kentucky Congressional delegation.

Senator Gay moved the adoption of **SR 29.** Agreed.

SB 188, by Senator Buckman: AN ACT relating to fees for officers authorized to take depositions.

SB 189, by Senators Layne, Ware and McGinty: AN ACT relating to licensing of motor vehicles.

SB 190, by Senator Kinkead: AN ACT relating to motor vehicle inspection.

SR 30, by Senators McCann and Bonn: A RESOLUTION honoring Cassius M. Clay.

WHEREAS, on the night of February 25, 1964, Cassius M. Clay, a native son of this Commonwealth defeated Charles "Sonny" Liston in six rounds of boxing to become the heavyweight champion of the world, and

WHEREAS, this young man at the age of twenty-two, and undefeated in twenty professional fights, has distinguished himself as being a truly great champion, and joins such pugilistic greats as John L. Sullivan, Rocky Marciano, and Ingemar Johansson in winning all of his professional fights before assuming the throne as heavyweight champion of the world.

WHEREAS, he has brought fame and honor to the City of Louisville and the Commonwealth of Kentucky, and a sense of personal pride to Senators C. W. A. McCann and Bernard J. Bonn, Sr., in whose districts this champion resides,

NOW, THEREFORE,

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky:

That the Senate hereby recognizes the honor and fame brought to the City of Louisville and the Commonwealth of Kentucky by Cassius M. Clay, heavyweight champion of the world, and acknowledges the fact that when the last bell was sounded it was plain to see, there was truth in the statement that you "float like a butterfly and sting like a bee."

Senator McCann moved the adoption of **SR 30**, seconded by Senator Kiser. Agreed.

Report of Committees

Committee on Executive and Legislative Affairs reported **SB 50** with the expression of opinion that same should pass, with the Committee Amendment attached thereto. Read at length for the first time and ordered placed in the Calendar.

SB 50, AN ACT to revise and correct the Kentucky Revised Statutes.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

ARTICLE I

Section 1. KRS 17.010 is amended to read:

(1) There shall be in the state government a Department of Public Safety, a [statutory administrative] department within the meaning of *KRS* Chapter 12 [of the Kentucky Revised Statutes], the executive head of which shall be a Commissioner of Public Safety.

(2) The Commissioner of Public Safety shall be appointed by the Governor as provided in KRS 12.040 [for the heads of statutory administrative departments].

(3) The Department of Public Safety shall be divided for administrative purposes into *a Division of Administrative Services,* a Division of Accident Control, a Division of Kentucky State Police, a Division of Fire Prevention, a Division of Driver Licensing and a Division of Boating, but this provision *does* [shall] not affect the authorization [of the Commissioner of Public Safety] to establish new divisions and make changes with respect to existing divisions in accordance with [the terms of] KRS 12.030.

(4) The heads of the divisions of the Department of Public Safety shall be appointed by the Commissioner of Public Safety in accordance with [the provisions of] KRS 12.050.

Section 2. KRS 17.040 is amended to read:

The Division of Kentucky State Police shall be headed by a Director of Kentucky State Police [and shall exercise all of the functions heretofore performed by the Department of Kentucky State Police]. The Director of the Division of Kentucky State Police shall exercise the functions *provided in KRS 16.010 to 16.190* [heretofore performed by the Commissioner of Kentucky State Police] to the extent that these functions are delegated to him by the Commissioner of Public Safety. [The Department of Kentucky State Police and the office of Commissioner of Kentucky State Police are hereby abolished. Any reference in KRS Chapter 183, to the Department of Kentucky State Police, or the "Department," or any reference elsewhere to the Department of Kentucky State Police henceforth shall be construed to be a reference to the Division of Kentucky State Police. Any reference in KRS Chapter 183, to the Commissioner of Kentucky State Police or the "Commissioner," henceforth shall be construed to be a reference to the Commissioner of Public Safety, except to the extent that the Commissioner shall delegate responsibilities to the division of Kentucky State Police.]

Section 3. KRS 17.050 is amended to read:

The Division of Fire Prevention shall be headed by a State Fire Marshal and shall exercise all of the functions provided in KRS Chapters 227, 228 and 234 relating to fire loss [heretofore performed by the Department of Insurance and the State Fire Marshal].

Section 4. KRS 17.060 is amended to read:

The Division of Operator Responsibility shall be headed by a Director of Operator Responsibility and shall exercise the functions [heretofore exercised by the Department of Revenue] provided in KRS 186.400 to 186.640 relating to licensing of operators of motor vehicles to the extent that those functions are delegated to it by the Commissioner of Public Safety, except those concerned with the subject matter of *subsection (3) of* KRS 186.400 [(3) as hereinafter provided]. The Division of Operator Responsibility shall exercise all the functions [heretofore exercised by the Department of Revenue provided in KRS Chapter 187,] relating to the administration and enforcement of the financial responsibility law. [Any reference in KRS Chapter 187, to the Department of Revenue or the "Department," henceforth shall be construed to be a reference to the Division of Operator Responsibility, except where otherwise specified herein.]

Section 5. KRS 16.010 is repealed and re-enacted to read:

As used in KRS 16.010 to 16.190, unless the context requires otherwise:

(1) "Board" means the State Police Personnel Board;

(2) "Civilian" means such experts, statisticians, clerks and other assistants who do not possess the powers of a peace officer;

(3) "Commissioner" means the Commissioner of the Department of Public Safety, except to the extent that a function or responsibility has been delegated by the commissioner to the director;

(4) "Director" means the Director of the Division of Kentucky State Police;

(5) "Division" means the Division of Kentucky State Police;

(6) "Officer" means a member of the Kentucky State Police who possesses the powers of a peace officer.

Section 6. In order to represent accurately the text of statute sections impliedly amended by Chapter 80, Kentucky Acts 1948, and Chapter 7, Kentucky Acts 1956 (First Extraordinary Session), the Reviser of Statutes may in subsequent editions of Kentucky Revised Statutes, except where the context requires otherwise or as otherwise provided by specific amendment in this Act, substitute for words designating the former State Highway Patrol or the former Department of State Police, other words designating the Division of Kentucky State Police of the Department of Public Safety; and for words designating the former Director of the State Highway Patrol or the former Commissioner of Kentucky State Police, other words designating the Commissioner of Public Safety.

Section 7. KRS 16.030 is amended to read:

(1) The *director* [commissioner] shall be more than twenty-eight years of age; [and] shall be a citizen of the United States; and shall be selected on the basis of training, experience and qualifications for this position and preferably shall have had at least five years' experience in public or police administration.

(2) The *director* [commissioner] shall appoint from the ten highest ranking officers of the *division* [department] one officer to act as an executive assistant. Such appointment may be changed at any time [or times] by the *director* [commissioner] and any other officer substituted [in lieu thereof].

Section 8. KRS 16.040 is amended to read:

(1) The *division* [department] shall consist of the *director* [commissioner] and such number of officers and civilians, and shall be organized in such manner [and into such divisions or sections], as the commissioner [shall] from time to time determine*s*.

(2) All persons appointed as officers shall at the time of their appointment be:

(a) Not less than twenty-one *nor more than thirty-one* years of age; [the maximum age limit to be fixed by the commissioner, and the same may vary as to commissioned and noncommissioned officers;]

(b) Of good moral character, and in good health;

(c) Citizens of the United States and residents of the Commonwealth;

(d) High school graduates, or possess an education equivalent thereto. To meet such educational requirements, credit shall be given for experience in police administration or law enforcement.

(3) The commissioner shall prescribe minimum physical requirements for appointment as an officer of the *division* [department], and shall conduct such tests and require such physical examinations as [may be] deemed necessary [in order] to determine the fitness and qualification of each applicant. All other qualifications being equal, preference shall be given to veterans of *the armed forces of the United States in time of war, who were honorably discharged.* [World Wars I and II.]

Section 9. KRS 16.080 is amended to read:

(1) The commissioner shall adopt, formulate, alter and repeal rules and regulations for the enlistment, training, discipline and conduct of officers of the *division* [department]; for the promotion of [such] officers on the basis of seniority of service, qualifications being equal; and he may make any other rules and regulations for the governing and operation of *the division* [said department] as [shall] appear to him reasonably necessary to carry out the provisions of KRS 16.010 to *16.190* [16.180].

(2) *The commissioner* [He] may require any officer or civilian who [may] receive*s* [and/] or disburse*s* public funds in the course of his duties to file a bond, conditioned that he will honestly, correctly and according to law, receive, disburse and [/or] account for all public monies coming into his hands. The *director* [commissioner] and each officer shall execute a bond to the Commonwealth of Kentucky in the sum of not less than two thousand dollars, conditioned upon the faithful discharge of his duties. The premium on any [such bond or] bonds shall be paid by the *division* [department]. The *director* [commissioner] and each officer of the *division* [department] shall, before entering upon the discharge of their official duties, take the constitutional oath of office.

(3) Subject to the provisions of KRS 56.440 to 56.550, the commissioner, with the approval of the Governor and the Commissioner of Finance, may acquire real estate or interests therein, by purchase, lease or otherwise, necessary for the purposes of the *division* [department], and, with like approval, provide for the acquisition or construction of necessary buildings and other permanent structures and facilities. Title to any real estate [so] acquired shall be taken in the name of the Commonwealth.

Section 10. KRS 187.290 is amended to read:

As used in this chapter, unless the context requires otherwise: [The following words and phrases, when used in KRS 187.290 to 187.620, shall, for the purpose of KRS 187.290 to 187.620, have the meanings respectively ascribed to them in this section, except in those instances where the context clearly indicates a different meaning:]

(1) "Department" *means the Department of Public Safety.* [—The Department of Revenue, except where otherwise specified herein.]

(2) "Highways" *means* [—] every way or place of whatever nature when any part of it is open to the use of the public, as a matter of right, license or privilege, for purpose of vehicular traffic.

(3) "Judgment" *means* [—] any judgment which *has* [shall have] become final by expiration without appeal of the time within which an appeal might have been perfected, or by final affirmation

on appeal, rendered by a court of competent jurisdiction of any state or of the United States, upon a cause of action arising out of the ownership, maintenance or use of any motor vehicle, for damages, including damages for care and loss of services, because of bodily injury to or death of any person or for damages because of injury to or destruction of property, including the loss of use thereof, or upon a cause of action on an agreement of settlement for such damages.

(4) "Motor vehicle" *means* [—] every self-propelled vehicle which is designed for use upon a highway, including trailers designed for use with such vehicles (except traction engines, road rollers, farm tractors, tractor cranes, power shovels and well drillers) and every vehicle which is propelled by electric power obtained from overhead wires but not operated upon rails.

(5) "License" *means* [—] any operator's license, temporary instruction permit or temporary license issued under the laws of this state pertaining to the licensing of operators.

(6) "Nonresident" *means* [—] every person who is not a resident of this state.

(7) "Nonresident's operating privilege" *means* [—] the privilege conferred upon a nonresident by the laws of this state pertaining to the operation by him of a motor vehicle, or the use of a motor vehicle owned by him, in this state.

(8) "Operator" *means* [—] every person who is in actual physical control of a motor vehicle.

(9) "Owner" *means* [—] a person who holds the legal title of a motor vehicle, or in the event a motor vehicle is the subject of an agreement for the conditional sale or lease thereof with the right of purchase upon performance of the conditions stated in the agreement and with an immediate right of possession vested in the conditional vendee or lessee or in the event a mortgagor of a vehicle is entitled to possession, then such conditional vendee or lessee or mortgagor shall be deemed the owner for the purposes of this chapter [KRS 187.290 to 187.620].

[(10) "Person"—Every natural person, firm, copartnership, association or corporation.]

(10) [(11)] "Proof of financial responsibility" *means* [—] proof of ability to respond in damages for liability, on account of accidents occurring subsequent to the effective *date* [data] of said proof, arising out of the ownership, maintenance or use of a motor vehicle in the amount of *ten* [five] thousand dollars because of bodily injury to or death of one person in any one accident, and, subject to said limit for one person, in the amount of *twenty* [ten] thousand dollars

because of bodily injury to or death of two or more persons in any one accident, and in the amount of *five* [one] thousand dollars because of injury to or destruction of property of others in any one accident.

(11) [(12)] "Registration" *means* [–] registration [certificate or] certificates and registration plates issued under the laws of this state pertaining to the registration of motor vehicles.

(12) [(13)] "State" *means* [–] any state, territory or possession of the United States, the District of Columbia, or any province of the Dominion of Canada.

Section 11. In order to represent accurately the text of statute sections impliedly amended by Chapter 7, Kentucky Acts 1956 (First Extraordinary Session), the Reviser of Statutes may in subsequent editions of Chapter 187 in Kentucky Revised Statutes, except where the context requires otherwise, substitute for words designating the Department of Revenue, other words designating the Department of Public Safety.

Section 12. KRS 187.300 is amended to read:

(1) The department shall administer and enforce the provisions of *this chapter* [KRS 187.290 to 187.620] and may make rules and regulations necessary for its administration.

(2) The department *may* [is hereby authorized to] employ [such] additional persons, in accordance with the provisions of KRS *Chapter 18* [42.120 and 42.130], and incur travel, rental and other current and capital expenses, necessary to accomplish the purposes of *this chapter* [KRS 187.290 to 187.620].

(3) Any person aggrieved by an order or act of the department under [the provisions of] *this chapter* [KRS 187.290 to 187.620,] may, within twenty days after notice thereof, bring an action against the department in the circuit court of the county in which the accident or violation of law upon which the action of the department was based occurred to vacate or set aside the order or action of the department on the ground that it is unlawful or unreasonable. The answer of the department shall be served and filed within twenty days after [the] service of the complaint. The action shall then be at issue and stand ready for trial upon ten days' notice to either party [, on the equity side of the docket of the court]. The answer need not deny verbatim the allegations of the complaint, but a general denial thereof on behalf of the department *is* [shall be] sufficient. The filing of *the* [such] action *does* [shall] not suspend the order or act of the department unless a stay thereof *is* [shall be] granted by the court pending final determination of the review. Injunctive relief may also be granted by the court in the manner and upon the terms provided by law.

Section 13. KRS 228.010 is amended to read:

(1) The provisions of this chapter [shall] apply only to cities of the first and second class.

(2) As used in this chapter, unless the context otherwise requires:

(a) "Assistant" includes persons authorized to act as such by the *Commissioner of the Department of Public Safety* [Director of the Division of Insurance];

(b) *"Commissioner" means the Commissioner of the Department of Public Safety* ["Director" means Director of the Division of Insurance];

(c) *"Department" means the Department of Public Safety* ["Division" means the Division of Insurance];

(d) "Dry cleaner and dyer" includes one who is either a dry cleaner or a dyer and "dry cleaning and dyeing" includes either the process of dry cleaning or the process of dyeing; and

(e) "Dry cleaning and dyeing business" means the business of cleaning, sponging or dyeing clothing, feathers or any sort of fabrics or textiles by the use of carbon disulphide, gasoline, naphtha, benzine, benzol or other light petroleum, coal tar products or inflammable liquid, or cleaning, sponging or dyeing by the use of inflammable volatile substances. It includes the business of cleaning by the local application of an inflammable liquid, solely or in connection with, or as part of, any other business.

Section 14. In order to represent accurately the text of statute sections impliedly amended by Chapter 7, Kentucky Acts 1956 (First Extraordinary Session), the Reviser of Statutes may in subsequent editions of Chapter 228 in the Kentucky Revised Statutes substitute for words designating the former Division of Insurance or the director thereof, in regard to functions relating to fire loss, other words designating the Department of Public Safety or the commissioner thereof.

Section 15. KRS 16.180, 17.020 and 17.030 are repealed.

ARTICLE II

Section 1. KRS 24.170 is amended to read:

The circuit court of Jefferson County shall have *eleven* [seven] judges.

Section 2. KRS 24.180 is repealed and re-enacted to read:

The circuit court described in KRS 24.170 *is* [shall be] a court of continuous session. It shall have eleven divisions as follows:

Chancery branch, first division.
Chancery branch, second division.
Chancery branch, third division.
Chancery branch, fourth division.
Common pleas branch, first division.
Common pleas branch, second division.
Common pleas branch, third division.
Common pleas branch, fourth division.
Common pleas branch, fifth division.
Criminal branch, first division.
Criminal branch, second division.

Section 3. KRS 24.190 is amended to read:

In elections for judges of the circuit court described in KRS 24.170, each office [every district entitled to seven circuit judges each office of circuit judge] shall be voted for separately *by numbered division as provided in KRS 24.180.* [The ballots shall specify as follows: For judge of the circuit court, criminal branch; for judge of the circuit court, chancery branch, first division; for judge of the circuit court, chancery branch, second division; for judge of the circuit court, common pleas branch, first division; for judge of the circuit court, common pleas branch, second division; for judge of the circuit court, common pleas branch, third division; for judge of the circuit court, common pleas branch, fourth division.] The person receiving the largest number of legal votes marked for one *division* [branch] shall be elected judge for that *division* [branch]. In case of a tie in any election, the result shall be decided as in case of a tie vote between two or more candidates for a single office.

Section 4. KRS 24.200 is amended to read:

(1) Each judge of a court *described in KRS 24.170* [having seven judges] shall preside over the division [branch] of the court to which he is elected during his entire term of office, except as provided in KRS 24.240.

(2) When a vacancy is filled the judge appointed or elected to fill the same shall preside over the [branch and] division presided over by the judge whose place has become vacant. If more than one vacancy is to be filled at any election, the ballots shall specify the *divisions* [branches] for which judges are to be elected.

Section 5. KRS 24.210 is amended to read:

(1) The court *described in KRS 24.170* shall, in general term, make rules of court governing the assignment of civil actions to the civil branches, and the divisions thereof, for the purpose of making

up issues and for the purpose of trial. The rules shall, insofar as practicable, provide for the assignment of all actions wherein the parties are not entitled to a jury as a matter of right to the chancery branch of the court.

(2) All criminal prosecutions and all proceedings on bail bonds and recognizances in criminal cases shall be brought and prosecuted in the criminal branch.

Section 6. KRS 24.230 is amended to read:

Proceedings in *the court described in KRS 24.170* [any court having seven judges] shall be valid when prosecuted in any branch or division thereof.

Section 7. KRS 24.240 is amended to read:

Any judge presiding over one [branch or] division of a court *described in KRS 24.170* [having seven judges] may hear and determine any case or question in any other branch or division.

Section 8. KRS 24.250 is amended to read:

(1) A court *described in KRS 24.170* [having seven judges] shall, in general term, make rules of the court, and may, from time to time, change *the* [such] rules. The rules shall be binding on each branch and division of the court until changed in general term.

(2) A general term of the court shall be held on the first Monday in January and July in every year, and at [such] other times [as] the court [shall] by rule appoint*s*. General terms may also be called in writing by any three of the judges.

(3) In addition to the order books and the judgment books of the several branches and divisions of the court, the clerk shall keep an order book of the general term, in which shall be entered all rules made and other business transacted at general terms.

Section 9. KRS 24.260 is amended to read:

An action on the official bond of the clerk, commissioner, receiver or depositary of a court *described in KRS 24.170* [having seven judges] may be brought in the court as other actions of which it has jurisdiction. Any person interested may sue on any such bond for a breach thereof, and any *division* [branch] of the court may, by rule and attachment against the obligors therein, enforce their performance.

Section 10. KRS 24.270 is amended to read:

(1) The circuit courts *described in KRS 24.170* [in counties having a population of two hundred thousand or more, comprising a separate judicial district, and having six judges, or more,] may by order in general term, *a majority of the* [any four of said] judges con-

curring, appoint a clerical assistant to each of the judges of the respective divisions of the chancery branch of *the* [said] court, *who shall* [whose duties shall be to] perform *the* [such] stenographic and other clerical services for *the* [said respective] judges thereof [as may be] assigned or directed by *the* [said] judges, in the performance of their judicial duties or functions. [;]

(2) Each of *the* [such] clerical assistants shall [continue to] receive [the] salaries [now] fixed by law and paid out of the county levy. [; provided, However, that] Such salaries may be increased or decreased to the amount fixed by the general term of *the* [said] circuit court by written recommendation to the fiscal court of the county, which recommendation shall become effective upon its approval by resolution of the fiscal court.

Section 11. KRS 27.040 is amended to read:

(1) In circuit courts *described in KRS 24.170* [having seven judges], the regular judges at a general term of court shall, by an order entered on the order book, appoint a commissioner and a receiver of the court, who shall hold their offices four years, unless removed, as they may be, at the pleasure of the court at a general term.

(2) The commissioner shall discharge the duties and have the power of a master in chancery and as provided by law and the rules of the court.

(3) The receiver shall receive, care for and deposit all [the] moneys and property [that may be] paid or deposited into court, and shall disburse the same upon the orders of the court as provided by law and the rules of the court.

(4) The commissioner and the receiver shall in open court execute bond and take *the* [an] oath [as] required in KRS 27.010 and 27.030.

Section 12. KRS 28.610 is amended to read:

(1) A majority of the judges of the circuit court of each judicial district composed of a county containing a population of seventy-five thousand or over, may appoint an official interpreter for a term of four years and until his successor is appointed and qualified. [He shall receive an annual salary not exceeding fifteen hundred dollars, to be fixed by a majority of the judges of the court and paid in monthly installments out of the county treasury.] The interpreter may be removed at any time by a majority of the judges.

(2) The *judges* [judge] presiding in the criminal branch of the circuit court of each judicial district *described in KRS 24.170* [having seven or more judges] may appoint an official interpreter for a term of four years and until his successor is appointed and qualified. [He

shall receive an annual salary fixed by the presiding judge of the criminal branch at not exceeding six hundred dollars, to be paid in monthly installments out of the county treasury.]

Section 13. KRS 405.090 is amended to read:

In every county having a population of two hundred thousand or more there shall be a supervisor of parents who are charged with the crime of willful desertion or abandonment of indigent children under sixteen years of age. The supervisor shall be a male resident of the county, over twenty-one years of age, and shall be appointed for a term of four years by the *judges* [judge] of that branch of the circuit court that has criminal jurisdiction, but may be removed at any time by *such judges* [that judge].

Section 14. KRS 24.175 and 24.176 are repealed.

ARTICLE III

Section 1. KRS 42.010 is amended to read:

As used in KRS 42.020 to 42.060, unless the context requires otherwise, *"state agency" means any state administrative body, agency, department or division as defined* [the terms "Administrative department," "Agency," "Division," "Employe," "Functions," "Position," and "State Service" have the meaning given them] by KRS 12.010.

Section 2. KRS 42.170 is amended to read:

[(1)] All of the functions of the State Local Finance Officer provided in *KRS* Chapters 66, 68, 103 and 131 [of the Kentucky Revised Statutes] relating to the issuance of bonds and control of funds of counties, cities and other local units and county financial administration shall be *exercised by* [transferred to] the Department of Finance.

[(2) The records, property, personnel, and any unexpended appropriations balances maintained for carrying out the functions of the State Local Finance Officer shall be transferred to the Department of Finance.]

Section 3. KRS 56.010 is amended to read:

The [Division of Purchases and Public Properties in the] Department of Finance shall institute civil proceedings in the name of the Commonwealth for any trespass or injury to state property under its control.

Section 4. KRS 56.440 is amended to read:

As used in this chapter, unless the context otherwise requires:

(1) "Commission" means the State Property and Buildings Commission.

(2) "Real estate" includes lands together with improvements thereon and appurtenances thereto.

(3) "Building" includes any structure or improvement upon real estate of a permanent nature; and additionally includes any sites, structures, equipment, machinery or devices for the purpose of establishing, developing or furthering television in aid of education or in aid of any other proper public functions, whether or not the same would otherwise be legally defined as buildings.

(4) "Building project" includes the construction, reconstruction and structural maintenance of buildings, the installation of utility services, including roads and sewers, and the purchase and installation of equipment, facilities and furnishings of a permanent nature for buildings, and for television purposes as referred to in subsection (3) of this section.

(5) "State agency" means any state *administrative body, agency,* [officer,] department *or* [, board, commission, institution,] division [or independent agency] as defined in KRS Chapter 12.

(6) "Department" means the Department of Finance.

Section 5. KRS 56.462 is amended to read:

[The records, property and personnel heretofore employed in carrying out the functions of the commission are hereby transferred to the department. The appropriation and trust and agency fund balances provided for performance of the functions transferred by this chapter, are hereby transferred to the department.] The department shall [hereafter] maintain *the* [such] records and perform *the* [such] functions [as are] necessary and proper to accomplish the purposes of this chapter.

ARTICLE IV

Section 1. KRS 95.520 is amended to read:

(1) There shall be [created] in cities of the [second and] third class [es] a policemen's and firemen's pension fund, and a board of trustees for that fund.

(2) The board of trustees *is* [shall be] the trustee of the pension fund, and *has* [shall have] exclusive control and management of the pension fund and of all moneys donated or paid for the relief or pensioning of members of the police and fire departments. It may do all things necessary to protect the fund.

Section 2. KRS 95.530 is amended to read:

[(1) In cities of the second class the board of trustees of the policemen's and firemen's pension fund shall be composed of the mayor, city treasurer, chief of the police department, chief of the fire department and one member each from the police and fire departments. The members from the police and fire departments shall be elected by the respective members of those departments annually by ballot, one from each department, and shall serve for one year and until their respective successors are elected and qualified. The board shall select from their number a president and a secretary.]

[(2)] In cities of the third class the board of trustees of the policemen's and firemen's pension fund *is* [shall be] composed of the mayor, city treasurer, chief of the police department, chief of the fire department and one member each from the police and fire departments. The members from the police and fire departments shall be elected by the respective members of those departments annually by ballot, one from each department, and shall serve for one year and until their respective successors are elected and qualified. The board shall select from their number a president and a secretary.

Section 3. KRS 95.540 is amended to read:

(1) The board of trustees of the pension fund in cities of the [second and] third class [es] may make all necessary rules for its government in the discharge of its duties, and shall hear and decide all applications for benefits or pensions. Its decision on these applications shall be conclusive, and not subject to revision or reversal, except by the board. A record shall be kept of the meetings and proceedings of the board.

(2) The board of trustees of the pension fund shall make an annual report on the condition of the pension fund to the city legislative body, at that body's last meeting in August.

Section 4. KRS 95.560 is amended to read:

[(1) In cities of the second class, the pensions or benefits paid from pension funds on retirement shall be as follows:]

[(a) Any member of the police or fire department having served twenty years or longer and the last five years thereof consecutively, may petition the board of trustees of the pension fund for retirement, and upon it being established that he is reasonably entitled to retirement the board shall order paid to him monthly fifty percent of his monthly salary at the time of retirement.]

[(b) Any member having served fifteen years and the last five years thereof consecutively, and who has become so disabled as to render him unfit for service in the department, may on proof of his disability, petition the board of trustees for retirement, and upon a showing that he is reasonably entitled to retirement the board shall order paid to him monthly fifty percent of his monthly salary at the time of retirement.]

[(c) The benefits provided for in this subsection shall accrue to any member who, within the twelve months immediately preceding March 10, 1938, was forced to retire from service in the police or fire departments by reason of disability.]

[(2)] In cities of the third class, any member of the police or fire department having served twenty years or longer consecutively in the police or fire department may petition the board of trustees for retirement, and if his petition is granted the board may order paid to him monthly fifty percent of his monthly salary at the time of retirement.

Section 5. KRS 95.570 is amended to read:

When an active or retired member of the police or fire department, in cities of the [second and] third class [es], dies under the conditions set out in *paragraph (c) of subsection (1) of* KRS 95.550 [(1) (c)], the board of trustees of the pension fund may pay from the fund to the widow or family a sum of not more than one hundred dollars, for funeral expenses.

Section 6. KRS 95.590 is amended to read:

(1) The city treasurer, in cities of the [second and] third class [es], *is* [shall be] ex officio treasurer of the board of trustees of the pension fund, and custodian of the pension funds.

(2) The treasurer, as custodian, shall securely keep the fund, subject to the control of the board, and shall keep his books and accounts concerning the fund in *the* [such] manner [as may be] prescribed by the board. The books and accounts *are* [shall] always [be] subject to the inspection of the board or any board member.

(3) The treasurer shall, within ten days after his election, execute a bond to the city with good surety, in *the* [such] penal sum [as] the board of trustees directs, to be approved by the board, conditioned for the faithful performance of the duties of his office, and that he will safely keep and well and truthfully account for all money and properties that come into his hands as treasurer of the pension fund, and that upon the expiration of his term of office he will deliver to his successor all securities, unexpended moneys and other properties that come into his hands as treasurer of the fund. The bond shall be filed in the office of the treasurer, and suit may be filed thereon in the name of the city for the use of the board or any person injured by its breach.

Section 7. KRS 95.600 is amended to read:

The board of trustees in cities of the [second and] third class [es,] may draw the pension fund from the treasury and shall invest it, in whole or in part, in the name of the board, as the board deems most advantageous for the objects of the fund, in interest-bearing bonds of any county, or any city of the first, second or third class in this state, or in any securities in which trustees are permitted to invest trust funds under the laws of this state. The securities shall be deposited with the treasurer of the board, and shall be subject to the order of the board.

Section 8. KRS 95.610 is amended to read:

(1) The officers of cities of the [second and] third class [es] designated by law to draw warrants on the city treasurer shall, on request in writing by the board of trustees of the pension fund, draw warrants on the city treasurer payable to the treasurer of the board of trustees of the pension fund for all funds belonging to the pension fund.

(2) Moneys ordered paid from the pension fund to any person shall be paid by the treasurer of the board of trustees only upon warrant signed by the president of the board and countersigned by the secretary. No warrant shall be drawn except by order of the board of trustees duly entered on the records of the proceedings of the board.

(3) If at any time there is not sufficient money in the pension fund to pay each beneficiary the full amount per month to which he is entitled, an equal percentage of the monthly payments due shall be paid to each until the fund is so replenished as to warrant payment in full to all beneficiaries.

Section 9. KRS 95.620 is amended to read:

The policemen's and firemen's pension fund in cities of the [second and] third class [es] shall be held and distributed for the purpose of paying pensions and benefits, and for no other purpose.

ARTICLE V

Section 1. KRS 47.010 is amended to read:

(1) Except as provided in [subsections (2), (3), (4), (5), and (6) of this section, and except as otherwise provided] in this chapter and in KRS 342.480 and 342.485, all state revenue shall be credited to the General Fund.

(2) All revenue realized from the gasoline tax imposed by KRS 138.220 or from any gasoline tax hereafter imposed by law, shall be credited to the State Road Fund.

(3) All fees and taxes collected under the provisions of *KRS* Chapter 281, and all revenue realized from any motor bus license tax hereafter imposed by law, shall be credited to the State Road Fund.

[(4) All fees collected under KRS 176.230 and not returned to the applicant as authorized by that section shall be credited to the State Road Fund.]

(4) [(5)] All funds appropriated by law to revolving funds pursuant to the provisions of KRS 45.140 shall be credited to such revolving funds.

(5) [(6)] All funds collected under the provisions of KRS 278.120 to 278.150 for the support of the Public Service Commission shall be credited as provided in those sections.

Section 2. KRS 136.070 is amended to read:

(1) With respect to taxable years beginning after December 31, 1961, every corporation owning property or doing business in this state, except banks and trust companies, foreign insurance companies, domestic life insurance companies, foreign and domestic building and loan associations, and corporations that, under existing laws, are liable to pay a franchise tax, shall pay to the state an annual license tax based upon the value of its capital stock, as provided by *KRS 136.072* [section 4 hereof].

(2) Every corporation not exempted by subsection (1) of this section shall pay an annual license tax of seventy cents on each one thousand dollars of that part of the value of its capital stock represented by property owned and business transacted in this state, which shall be ascertained by finding the proportion that the property owned and business transacted in this state bears to the aggregate amount of property owned and business transacted in and out of this state, which factors shall be determined as hereinafter set forth, and such tax shall be computed by the taxpayer.

(3) No corporation required to pay an annual license tax under this section shall pay a less sum therefor than ten dollars.

Section 3. KRS 137.010 is amended to read:

(1) As used in KRS 137.020 and 137.030, unless the context requires otherwise:

(a) "Carnival or circus" means shows in two or more tents, rides or concessions, or combinations of two or more shows, rides, concessions and stands connected therewith for profit.

(b) "Trucks, baggage and railroad cars" means any truck, baggage car or railroad car when wholly or partly loaded with tent show equipment, concessions or amusement riding device outfits, attached to or traveling with any carnival or circus.

(2) As used in KRS *137.115* [137.040 to 137.110], unless the context otherwise requires:

(a) "Restaurant" [means and] includes all places or establishments in which hot food or hot drink, or both, is served to the general public.

(b) "Soft drinks" means any beverage of less than one-half of one percent alcohol, whether bottled or from a fountain.

[(c) "Theater" means any building in which moving pictures, vaudeville, musical entertainment, or plays are regularly given. Open air or drive-in theaters are to be considered theaters for the purposes of this chapter.]

(c) [(d)] "Tobacco products" means and includes such things as cigarettes, snuff, cigars, smoking tobacco and chewing tobacco, by whatever name called, but does not include nicotine or any by-product of tobacco that is used for medicinal, chemical or manufacturing purposes.

(3) As used in KRS 137.340 to 137.410 and in subsection (5) of 137.990, unless the context requires otherwise:

(a) "Coin machine" or "coin-operated amusement and vending machine" [shall] mean*s* [and include] any lawful coin or token operated machine or device which contains no element of chance and which as a result of depositing a coin, token or other object automatically by or through some mechanical operation affords music or amusement of some character with or without vending any merchandise, but in addition to any such merchandise. Such coin-operated amusement and vending machine *does* [shall] not include any bona fide merchandise vending machine in which there is incorporated no amusement features.

(b) "Token" [shall] include*s* chips, checks or other articles which may be used to operate a coin machine.

(c) "Department" [shall] mean*s* the Department of Revenue.

(d) "License stamp" [shall] mean*s* any permanently fixed stamp evidencing payment of the tax, and prescribed by regulation of the department.

(e) "Person" [shall] include*s* an individual or an unincorporated association, including a partnership, a limited partnership, or any other form of unincorporated enterprise owned by two or more individuals, or a corporation. Whenever used in any clause prescribing and imposing a fine or imprisonment, or both, the term "person," as applied to a partnership, limited partnership, or any form of unincorporated enterprise, [shall] mean*s* the partners or members thereof, and as applied to corporation, the officers thereof.

[(f) "Itinerant operator" means any person who shall engage in any of the occupations or sell any of the articles or exercise any of the priveleges named in KRS 137.050 to 137.110 for a period not exceeding ten consecutive days in any one county.]

Section 4. KRS 138.500 is amended to read:

(1) No suit shall be maintained in any court on any ground to restrain or delay the collection of the tax imposed by KRS [138.020,] 138.140, 138.220, 138.460 or 138.565. The aggrieved taxpayer shall pay the tax under protest as and when due, and may at any time within two years from the date of such payment sue the state through the Department of Finance, in an action in any state or Federal court having jurisdiction, for recovery of the tax so paid with interest thereon from the date of payment.

(2) If it is finally determined that the tax or any part thereof was wrongfully collected, for any reason, the Department of Finance shall issue its warrant on the State Treasurer for the amount of tax adjudged to have been wrongfully collected, together with interest thereon. The State Treasurer shall pay the same at once in preference to other warrants or claims against the state. Such refunds of taxes paid under KRS [138.020 or] 138.140 shall be paid out of the General Fund, and such refunds of taxes paid under KRS 138.220, 138.460 or 138.565 shall be paid out of the Road Fund.

(3) Separate suits need not be filed for each separate payment made, but recovery may be had in one suit for all sums paid that are not barred by the limitation of two years imposed by this section.

Section 5. KRS 138.620 is amended to read:

The tax reports required by KRS 138.590 shall be accompanied by a certified or cashier's check, payable to the State Treasurer, for the amount of tax due for the preceding calendar month [computed as provided in KRS 138.595] except that the department may waive this requirement and accept the check of the licensee if he is of sound financial condition and has established a good record of compliance with the requirements of KRS 138.560 to 138.640.

Section 6. KRS 138.662 is amended to read:

(1) City and suburban bus companies operating under a certificate of convenience and necessity issued pursuant to KRS Chapter 281 shall be entitled to a refund of five-sevenths of the amount of KRS Chapter 138 taxes paid on motor fuels used in their regularly scheduled operations in Kentucky, *subject to KRS 138.727.*

(2) No person *is* [shall be] entitled to a refund under this section [hereunder] unless he *has* [shall have] first filed with the department [of Revenue] a bond issued by a surety company authorized to

do business in Kentucky in an amount of not less than one thousand dollars nor more than five thousand dollars to be determined by the department [of Revenue], conditioned upon faithful compliance with this section and upon the payment to the Commonwealth of any refunds to which he was not entitled.

(3) Applications for refund shall on or before the last day of each month following the quarter, September 30, December 31, March 31, and June 30, be made to the department [of Revenue] on forms and in the manner prescribed by it for the refund of tax paid on motor fuel used by buses during the quarter. Each application for a refund shall show the number of gallons of motor fuel purchased during the quarter for use in buses; the date and quantity of each purchase; the vendor from whom such fuel was purchased; the number of gallons on which refund is claimed; and such other information as the department [of Revenue may] require*s*. The application shall be made under oath.

(4) The department [of Revenue] shall audit the application and make such other investigation as it deems necessary to determine whether it constitutes a proper claim. When the department [of Revenue] is satisfied that a refund is proper it shall authorize five-sevenths of the amount of the tax paid to be refunded as other refunds are made and the amount refunded shall be deducted from current motor fuel tax receipts.

(5) When the department [of Revenue] finds that an application for a refund contains a false or fraudulent statement or that a refund has been fraudulently obtained, the department [of Revenue] shall refuse to grant any refunds to the person making *the* [such] false or fraudulent statement or fraudulently obtaining a refund for a period of two years from the date of *the* [such] findings.

(6) The department [of Revenue] may prescribe, adopt and enforce regulations relating to the administration and enforcement *of this section* [thereof].

(7) The refund provided *in this section is* [herein shall be] effective on motor fuel purchased *after* July 1, 1962 [and thereafter].

Section 7. KRS 365.370 is amended to read:

(1) The [State] Department of Revenue shall prescribe, adopt and enforce rules and regulations for the enforcement of KRS 365.260 to 365.380 and [it is empowered to and] may from time to time undertake and make or cause to be made one or more cost surveys for the state or such trading area or areas as it [shall] define*s*. [and] When each such cost survey *is* [shall have been] made by or approved by the [said] department it *is* [shall be] permissible to use *the* [such]

cost survey as provided in *subsection (2)* of KRS 365.320 [(2)] and *subsection (2) of KRS* 365.360 [(2)].

(2) The department may, upon notice and after hearing, revoke or suspend any license issued under *KRS 138.195* [provisions of KRS 137.040, 137.050, 137.070] and the rules and regulations of *the* [said] department promulgated thereunder, for failure of any person to comply with any provisions of *KRS* 365.260 to 365.380 or any rule or regulation adopted thereunder.

(3) All of the powers vested in the commissioner and Department of Revenue by the provisions of the Cigarette Tax Law *are* [shall be] available for the enforcement of KRS 365.260 to 365.380.

(4) Any person aggrieved by any decision, order or finding of *the* [said] department, suspending or revoking any such license, may appeal therefrom to the Kentucky Tax Commission by filing a petition of appeal with *the* [said] commission in the manner and form and within the time and subject to *the* [such] terms and conditions [as] *the* [said] commission [shall] by rules prescribe*s*.

(5) The judgment or order of *the* [said] commission may be reviewed by a court of competent jurisdiction in the Commonwealth.

Section 8. KRS 365.990 is amended to read:

(1) Any person who violates any of the provisions of subsection (1) of KRS 365.010 shall be fined not less than twenty-five dollars nor more than one hundred dollars, or imprisoned for not less than ten days nor more than thirty days, or both, and each day that the violation continues [shall] constitute*s* a separate offense.

(2) Any person who violates any of the provisions of KRS 365.020 to 365.050 shall, for each offense, be fined not less than one hundred dollars nor more than one thousand dollars, or imprisoned for not more than six months, or both. Any person who, as agent of any person or as director, officer or agent of any corporation, assists or aids in a violation of any of such provisions by the person or corporation for which he is director, officer or agent, *is* [shall be] responsible therefor equally with *the* [such] person or corporation, and in a prosecution brought against him under this subsection it *is* [shall be] sufficient to allege and prove the unlawful intent of the person or corporation for whom he acts.

(3) Any person who violates any of the provisions of KRS 365.100 shall be fined not less than two hundred dollars for each offense.

(4) Any person who violates any of the provisions of KRS 365.110 shall be fined not less than ten dollars nor more than fifty dollars for each offense.

(5) Any person who violates any of the provisions of KRS 365.130 shall, for each offense, be fined not less than twenty-five dollars nor more than fifty dollars, or imprisoned for not more than thirty days, or both.

(6) Any person who violates any of the provisions of KRS 365.170 shall, for the first offense, be punished by a fine of fifty cents for each package with respect to which the offense is committed, or by imprisonment for not less than ten days nor more than one year, or both, and for each subsequent offense shall be punished by a fine of not less than one dollar nor more than five dollars for each package with respect to which the offense is committed, or by imprisonment for not less than twenty days nor more than one year, or both.

(7) Any agent or employe of a corporation or any other person who violates any of the provisions of subsection (2) of KRS 365.220 shall be fined not less than one hundred dollars nor more than one thousand dollars for each offense, and each day's continuance of the violation [shall] constitutes a separate offense.

(8) A conviction of a corporation of violating any of the provisions of KRS 365.210 or 365.220 [shall] operates to forfeit its charter or right to do business in this state. Proceedings may be instituted by the Commonwealth's attorney in any district in this state to forfeit the charter or right to do business in this state of any corporation violating any of the provisions of KRS 365.210 or 365.220, and to subject the corporation charged, if found guilty, to the penalty imposed in subsection (7) of this section.

(9) Any company that violates any of the provisions of KRS 365.230 shall be fined not less than one hundred dollars nor more than one thousand dollars, and if it is a corporation it shall, upon conviction, forfeit its charter.

[(10) Any person who violates any of the provisions of KRS 365.240 shall, for each offense, be fined not more than one thousand dollars, or imprisoned for not more than six months, or both.]

(10) [(11)] Failure to maintain the register or to make the report to the sheriff as required by KRS 365.250 shall be a misdemeanor punishable by a fine of not more than one hundred dollars or by imprisonment for not more than thirty days, or both, and shall be prima facie evidence that *the* [such] dealer, collector or vendor received the used copper wire or cable not registered or reported, knowing it to be stolen in violation of KRS 433.290.

Section 9. KRS 133.015, 134.530, 136.250, 136.260, 137.200, 137.210, 137.220, 137.230, 137.240 and 137.250 are repealed.

ARTICLE VI

Section 1. KRS 148.510 is amended to read:

(1) There shall be [established] in the state government a Department of Parks, a [statutory administrative] department within the meaning of *KRS* Chapter 12 [of the Kentucky Revised Statutes], the executive head of which shall be a Commissioner of Parks.

(2) The Commissioner of Parks shall be appointed by the Governor as provided in KRS 12.040 [for the heads of statutory administrative departments and shall receive an annual salary of $12,000].

(3) The Department of Parks shall be divided for administrative purposes into a Division of Operations, a Division of Planning and Development and a Division of Administrative Services, but this provision *does* [shall] not affect the authorization [of the Commissioner of Parks] to establish new divisions and make changes with respect to existing divisions in accordance with [the terms of] KRS 12.030.

(4) The heads of the divisions in the Department of Parks shall be appointed by the Commissioner of Parks in accordance with [the provisions of] KRS 12.050.

Section 2. KRS 148.530 is amended to read:

[(1)] The Parks Board shall act in an advisory capacity to the Commissioner of Parks in regard to the planning, development, operation and administration of the state park system. It shall also act in an advisory capacity to the Commissioner of Parks in regard to the establishment and revision of park standards and on the acquisition of land, properties or sites for state and national parks.

[(2) All of the functions of the National Park Commission relating to acquiring and conveying lands to the United States for the establishment of national parks in Kentucky; receiving grants and contributions; and establishing regulations for administration and disposition of property prior to conveyance thereof to the United States, provided in KRS 148.110, 148.120, 148.130, 148.140, and 148.150 are hereby transferred to the Parks Board.]

[(3) The records, property, and any funds held by the National Park Commission are hereby transferred to the Parks Board.]

Section 3. KRS 148.540 is amended to read:

(1) The Department of Parks shall exercise all administrative functions of the state relating to the operation of parks, shrines, monuments and museums except those allocated to the Historical Society.

[(2) All of the functions of the Division of Parks relating to acquiring park property; improving and operating parks, fixing fees and charges for the use of parks; establishing and posting regulations; and commissioning park custodians and employes as peace officers, provided in KRS 148.010, 148.020, 148.030, 148.040, 148.055, 148.060, 148.070, and 148.085 are hereby transferred to and shall be exercised by the Department of Parks.]

(2) [(3)] The department *may* [of Parks is authorized to] cooperate with counties, cities and other political subdivisions of the Commonwealth and with civic and other public service organizations in the planning and promotion of recreational activities.

(3) [(4)] The department *may* [of Parks is authorized to] enter into any agreement with the Breaks Interstate Park Commission for the operation of any facilities in the Breaks Interstate Park.

(4) [(5)] The department *may* [of Parks is authorized to] accept on behalf of the state any grant or contribution, federal or otherwise, to assist in meeting the cost of carrying out the functions assigned to the department [of Parks in KRS 148.510 to 148.550].

(5) [(6)] The Commissioner of Parks may employ or contract with such other persons, firms or corporations as he [may] deems necessary or desirable to accomplish the duties and functions assigned by law to the Department of Parks; may fix the compensation and the terms of employment or contract of those employed or contracted with; and may assign to them such duties and responsibilities as he may determine. [; provided,] *H*owever, [that] any contract shall be approved by the Commissioner of Finance before it [shall] become*s* effective.

Section 4. KRS 148.085 is amended to read:

(1) There shall be a state park at the site of the original Fort Boonesboro in Madison County, Kentucky, which park shall be known as Boonesboro State Park. This park shall consist of no more than 200 acres and shall be developed for historical [and/] or recreational purposes, *or both,* at the discretion of the commissioner [of Conservation], in commemoration of the historical significance of Fort Boonesboro to the history and traditions of the Commonwealth.

(2) The *department may* [Division of Parks is hereby authorized, in the discretion of the Commissioner of Conservation, to] acquire real property on and near the site of the original Fort Boonesboro in accordance wtih the provisions of KRS 148.060, *and may* [. The Division of Parks is further authorized to] provide for the maintenance of Boonesboro State Park in the manner provided by law.

Section 5. In order to represent accurately the text of statute sections impliedly amended by Chapter 68, Kentucky Acts 1960, the Reviser of Statutes may in subsequent editions of Kentucky Revised Statutes, except where the context requires otherwise or as otherwise provided by specific amendment in this Act, substitute for words designating the former Division of Parks in the Department of Conservation, other words designating the Department of Parks; for words designating the former Director of the Division of Parks, other words designating the Commissioner of Parks; and for words designating the former National Park Commission, other words designating the Parks Board.

Section 6. KRS 148.180, 148.190 and 148.550 are repealed.

ARTICLE VII

Section 1. KRS 152.010 is amended to read:

As used in this chapter, unless the context requires otherwise:

(1) "Commission" [shall] mean*s* the Economic Development Commission;

(2) "Commissioner" [or "Commissioner of the Department of Economic Development" shall] mean*s* Commissioner of the Department of Commerce;

(3) "Department" [or "Department of Economic Development" shall] mean*s* Department of Commerce.

Section 2. In order to represent accurately the text of statute sections impliedly amended by Chapter 106, Kentucky Acts 1962, the Reviser of Statutes may in subsequent editions of Kentucky Revised Statutes, except where the context requires otherwise or as otherwise provided by specific amendment in this Act, substitute for words designating the former Department of Economic Development, other words designating the Department of Commerce; and for words designating the former Commissioner of the Department of Economic Development, other words designating the Commissioner of the Department of Commerce.

ARTICLE VIII

Section 1. KRS 153.005 is amended to read:

As used in KRS 153.005 to *153.020* [153.030], "department" [of Public Relations] means "Department of Public Information."

Section 2. In order to represent accurately the text of statute sections impliedly amended by Chapter 7, Kentucky Acts 1956 (First Extraordinary Session) and by Chapter 106, Kentucky Acts 1962, the Reviser of Statutes may in subsequent editions of Kentucky Revised Statutes, except where the context requires otherwise or as otherwise provided by specific amendment in this Act, substitute for words designating the former Division of Publicity or the former Department of Public Relations, other words designating the Department of Public

Information; and for words designating the former Director of Publicity or the former Commissioner of Public Relations, other words designating the Commissioner of Public Information.

Section 3. KRS 153.030 is repealed.

ARTICLE IX

Section 1. KRS 171.090 is amended to read:

The State Librarian may, when authorized by the trustees of the *State* [Legislative and] Law Library, furnish without charge to the library of the University of Kentucky and to the libraries of *the* [both white and colored] state [teacher's] colleges *the* [such] public documents, books and manuscripts in the *State* [Legislative and] Law Library *which* [as] are not essential to the performance of the duties of that library.

Section 2. KRS 171.125 is amended to read:

As used in KRS 171.130 to 171.306, unless the context requires otherwise, "department" *means* ["Library Extension Division," "extension division" and "division" mean] the Department of Libraries.

Section 3. KRS 171.410 is amended to read:

[(1)] As used in KRS 171.410 to 171.740, *unless the context requires otherwise:*

(1) [the word] "Records" means all books, papers, maps, photographs and other documentary materials, regardless of physical form or characteristics, made or received by any agency of the state government in pursuance of the state law or in connection with the transaction of public business and preserved or appropriate for preservation by that agency or its legitimate successor evidence of the organization, functions, policies, decisions, procedures, operations or other activities of the government or because of the informational value of data contained therein.

(2) *"Department" means the* [As used in KRS 171.410 to 171.740, "Archives and Records Service," "service," "Director of the Archives and Records Service" and "director" mean] Department of Finance. ["]

[(3) As used in KRS 171.450, 171.460, 171.470, 171.480, 171.500, 171.510, 171.520, 171.530, 171.540, 171.550, 171.560, 171.570, 171.580, 171.590, 171.600, 171.610, 171.620, 171.630, 171.660 and 171.680, "State Archives and Records Commission" and "commission" mean "Department of Finance."]

Section 4. In order to represent accurately the text of statute sections impliedly amended by Chapter 106, Kentucky Acts 1962, the

Reviser of Statutes may in subsequent editions of Kentucky Revised Statutes, except where the context requires otherwise or as otherwise provided by specific amendment in this Act, substitute for words designating the former Library Extension Division, other words designating the Department of Libraries; for words designating the former Director of the Library Extension Division, other words designating the State Librarian; for words designating the former Archives and Records Service or the former Director of the Archives and Records Service, other words designating the Department of Finance; and for words designating the State Archives and Records Commission in KRS 171.450, 171.460, 171.470, 171.480, 171.500, 171.510, 171.520, 171.530, 171.540, 171.550, 171.560, 171.570, 171.580, 171.590, 171.600, 171.610, 171.620, 171.630, 171.660 and 171.680, other words designating the Department of Finance.

ARTICLE X

Section 1. KRS 196.010 is amended to read:

[(1)] As used in this chapter, unless the context requires otherwise:

(1) [(a)] "Commissioner" [of Welfare" or "commissioner] means Commissioner of Corrections;

(2) [(b)] "Department" [of Welfare" or "department] means Department of Corrections;

[(2) As used in KRS 196.020 to 196.260, unless the context otherwise requires,]

(3) "Institution" means any institution under the control of the Department of Corrections.

Section 4. KRS 439.250 is amended to read:

As used in KRS 439.250 to 439.560, unless the context requires otherwise:

(1) ["Commissioner of Welfare" or] "Commissioner" means the Commissioner of Corrections;

(2) ["Department of Welfare" or] "Department" means the Department of Corrections;

(3) "Director" means the Director of the Division of Probation and Parole;

(4) "Division" means the Division of Probation and Parole;

(5) "Board" means the parole board created by KRS 439.320[;].

[(6) "Conditional releasee" means any person released under the provisions of KRS 197.045.]

Section 5. KRS 439.340 is amended to read:

(1) Subject to the provisions of KRS 439.250 to 439.560, the board may release on parole [such] persons confined in any adult state penal or correctional institution of Kentucky *who* [as] are eligible for parole. All paroles [shall] issue upon order of the board duly adopted. As soon as practicable after his admission and at [such] intervals thereafter [as] it [may] determines, the *Department* [Division] of Corrections shall obtain all pertinent information regarding each prisoner, except those not eligible for parole. *The* [Such] information shall include his criminal record, his conduct, employment and attitude in prison, and the reports of *the* [such] physical and mental examinations *which* [as] have been made. The Division of Probation and Parole shall furnish the circumstances of his offense and his previous social history to the institution and the board. The *Department* [Division] of Corrections shall prepare a report on *the* [such] information [as] it obtains. [It shall be the duty of] The Division of Probation and Parole *shall* [to] supplement this report with *the* [such] material [as] the board [may] requests and submit *the* [such] report to the board.

(2) Before granting the parole of any prisoner, the board shall consider the pertinent information regarding the prisoner and shall have him appear before it for interview and hearing. A parole shall be ordered only for the best interest of society and not as an award of clemency, and it shall not be considered a reduction of sentence or pardon. A prisoner shall be placed on parole only when arrangements have been made for his proper employment or for his maintenance and care, and when the board believes he is able and willing to fulfill the obligations of a law abiding citizen.

(3) Except as provided otherwise by KRS 439.250 to 439.560, the board may adopt *the* [such] rules [as] it may deems proper or necessary with respect to the eligibility of prisoners for parole, the conduct of parole hearings, or conditions to be imposed upon parolees, subject to the provisions of KRS *439.340* [439.110]. Whenever an order for parole is issued it shall recite the conditions thereof.

Section 6. In order to represent accurately the text of statute sections impliedly amended by Chapter 106, Kentucky Acts 1962, the Reviser of Statutes may in subsequent editions of Kentucky Revised Statutes, except where the context requires otherwise or as otherwise provided by specific amendment in this Act, substitute for words designating the former Department of Welfare, other words designating the Department of Corrections; and for words designating the former Commissioner of Welfare, other words designating the Commissioner of Corrections.

Section 7. KRS 365.240 is repealed.

ARTICLE XI

Section 1. KRS 199.850 is amended to read:

[(1)] The Department of Child Welfare *is* [shall be] responsible for all child welfare functions [heretofore exercised by the Department of Economic Security and the Department of Welfare], except as otherwise provided *by law.* [in KRS 199.810 to 199.890. The Division of Children's Services of the Department of Economic Security and the Division of Children's Institutions of the Department of Welfare, together with their personnel, properties, facilities, equipment, records, funds, and appropriations heretofore granted them under the statutes are hereby transferred to the Department of Child Welfare, except as otherwise provided in KRS 199.810 to 199.890. Present wards of the Department of Economic Security and the Department of Welfare shall also be transferred to the Department of Child Welfare.]

[(2) All functions related to child welfare, except those related to children receiving public assistance under the Aid to Dependent Children Program, delineated in Chapters 199, 200, and 208 of the Kentucky Revised Statutes heretofore performed in the Department of Economic Security and the Department of Welfare are transferred to the Department of Child Welfare. Present wards of the Department of Economic Security and the Department of Welfare shall also be transferred to the Department of Child Welfare and the respective courts of the Commonwealth shall take any necessary steps to denote this transfer.]

Section 2. KRS 25.010 is amended to read:

Except as provided in KRS 167.990, *208.020* [199.990] and 242.990, county, quarterly and justices' courts have jurisdiction exclusive of circuit courts in all penal and misdemeanor cases where the punishment is limited to a fine of not more than twenty dollars, and jurisdiction concurrent with circuit courts of all penal and misdemeanor cases where the punishment is limited to a fine of not more than five hundred dollars, or imprisonment for not more than twelve months, or both.

Section 3. KRS 26.010 is amended to read:

Except as provided in KRS 167.990, *208.020* [199.990] and 242.990, police courts in cities of every class have jurisdiction exclusive of circuit courts in all penal and misdemeanor cases where the punishment is limited to a fine of not more than twenty dollars, jurisdiction concurrent with circuit courts of all penal and misdemeanor cases where the punishment is limited to a fine of not more than five hundred dollars, or imprisonment not exceeding twelve months, or both, and exclusive jurisdiction of all violations of city ordinances, occurring within the city limits.

Section 4. KRS 200.320 is amended to read:

(1) Before any child is entitled to the benefits of KRS 200.310 to 200.330, he must *be* [have been] duly registered and accepted as a ward of *the* [such] association, institution or corporation, at least ninety days prior to application for the benefits of KRS 200.310 to 200.330, and *the* [such] association, institution or corporation shall file in the office of the county clerk an affidavit sworn to by the executive officer of the association, institution or corporation, in support of the acceptance and registration of the child. The executive officer shall also file with the county clerk a petition declaring that the child named in the application is a dependent child.

(2) The county clerk shall thereafter refer the application and petition to the county judge, who shall make diligent investigation as to the eligibility of the child as a dependent child as defined by KRS *199.011* [199.010]. If it *is* [be] determined that the child is a dependent child, he shall thereafter commit the child to the association, institution or corporation making the application, and the child shall be entitled to the benefits provided in KRS 200.310 to 200.330.

Section 5. KRS 199.830, 199.880 and 200.500 are repealed.

ARTICLE XII

Section 1. KRS 202.340 is amended to read:

(1) Whenever the staff of a state institution for mentally defective persons believes that the condition of a patient has sufficiently improved so that his release will not be injurious to him or detrimental to the public welfare, or that he is not a proper case for treatment at a state institution, it may, on filing a written certificate with the department [of Welfare], release *the* [such] person, unless the person is held on an order rising out of a criminal offense.

(2) Before making *the* [such a] certificate, the staff shall satisfy themselves by sufficient proof that friends or relatives of the person are willing and financially able to receive and care for *the* [such] person after his release if he is unable to care for himself. If the person to be released is indigent, he shall be returned to the county judge of the county from which he was committed.

(3) No person shall receive a pauper mental defective into his home without a permit from the department [of Welfare].

Section 2. KRS 203.110 is amended to read:

(1) The department may employ counsel, upon the advice and approval of the Attorney-General, to institute or defend such actions or proceedings as it deems necessary or proper to enforce the payment or reimbursement for board and maintenance of patients. In case of failure of suits, the expense thereof shall be certified by the commissioner [of Welfare] to the Department of Finance which shall provide for its payment out of the funds appropriated for the use of the department [of Welfare].

(2) The statute of limitation providing the time in which actions for such recovery may be instituted shall not run against recovery [herein] provided for *in this chapter* until from and after the time at which *the* [said] estate is acquired.

Section 3. KRS 203.190 is amended to read:

The department shall maintain a training school for *mentally defective* [feeble-minded] persons, and a farm colony for them to be located on land suitable for farming, stock raising and fruit growing. Sufficient buildings shall be maintained to accommodate the inmates.

Section 4. KRS 203.210 is amended to read:

The object and purpose of state institutions for *mentally defective* [feeble-minded] or epileptic persons is the mental and physical training, the treatment and custody of such persons, the promotion of their happiness and well-being and the study of mental deficiency. The institutions may do anything necessary to carry out the purpose for which they are established.

Section 5. KRS 203.220 is amended to read:

(1) The superintendent of the institution for *mentally defective* [feeble-minded] or epileptic persons shall provide such care and training for each inmate as may be necessary to render him more useful and happy and to make him as nearly self-supporting as his mental capacity permits.

(2) The inmates of *the* [such] institutions may manufacture and produce for their own use, or for sale, *the* [such] articles, furniture, clothing, tools, products and other supplies and engage in such labor or work of construction *which are* [as may be] approved by the Division of Mental Retardation.

Section 6. KRS 203.250 is amended to read:

(1) A person having the care, custody or charge of *a mentally defective person* [an idiot] may by filing with the Department of

Finance a certified copy of the inquest and the order of the court adjudging *the mentally defective person* [an idiot] to be a pauper, have an allowance to a pauper *mental defective* [idiot] of not more than seventy-five dollars per annum to be paid as follows:

(a) One-half of the allowance shall be certified by the court holding the inquest to the Department of Finance for payment out of the State Treasury;

(b) One-half of the allowance shall be allowed and certified for payment by the court holding the inquest to the fiscal court of the county in which the inquest is held.

(2) If the *mentally defective person* [idiot] dies or ceases to be a pauper, a proportionate part of the allowance from the anniversary date of the allowance to the day of his death or his ceasing to be a pauper, may be paid.

Section 7. KRS 203.260 is amended to read:

(1) No money shall be drawn from the State Treasury for the support of *a mentally defective person* [an idiot] unless the circuit court wherein the inquest is held makes the allowance at the time of the inquest.

(2) No allowance shall be made for the maintenance of any person under the age of eight years, nor for one who at times, by epileptic fits or other malady, is *mentally defective* [enfeebled in mind], or who has not been found to be a pauper *mental defective* [idiot].

Section 8. KRS 203.280 is amended to read:

Every fifth year after the first inquest, before any order is granted by the court for the maintenance of *a mentally defective* [an idiot or a feeble-minded] person out of his own estate, or out of the State Treasury, the *mentally defective* [idiot or feeble-minded] person shall be brought into the court unless his presence is dispensed with for the reasons allowed in KRS 202.130. The court shall cause a jury to be impaneled and sworn as provided in KRS 202.140, and also sworn to inquire, and report from the evidence, whether the defendant has before been found, by verdict of a jury and judgment of a court, to be *a mentally defective* [an idiot or a feeble-minded] person, and whether and what change, if any, has taken place in his mind, physical condition and estate since the previous inquest.

Section 9. KRS 203.290 is amended to read:

The circuit clerk of each county shall transmit to the Department of Finance, on or before the tenth of September in each year, a list of the pauper *mental defectives* [idiots] in his county.

Section 10. KRS 203.300 is amended to read:

No person shall bring or cause to be brought into this state any *mentally ill or mentally defective person* [feeble-minded, epileptic, insane person or idiot] with the intent to make him a charge upon this state, or shall fraudulently secure any adjudication that a person is a pauper *mental defective* [idiot] with the purpose of securing the allowance provided by KRS 203.250.

Section 11. KRS 204.070 is amended to read:

No county poor farm, poorhouse or any home or institution providing primarily for poor or infirm persons, shall receive or permit to remain in its shelter a *mentally defective* [feeble-minded] female under forty-five years of age if there is room in the institution for the *mentally defective* [feeble-minded] for her, in which case she must be transferred to the *institution for the mentally defective* [feeble-minded institute].

Section 12. KRS 203.005 is repealed.

ARTICLE XIII

Section 1. KRS 229.010 is amended to read:

[(1)] As used in this chapter, unless the context requires otherwise, *"commissioner" means the Boxing Commissioner.* ["department" means the Department of Business Regulation.]

[(2) As used in this chapter, "Department of Business Regulation" or "department" means "Boxing Commission."]

Section 2. In order to represent accurately the text of statute sections impliedly amended by Chapter 106, Kentucky Acts 1962, the Reviser of Statutes may in subsequent editions of Chapter 229 of Kentucky Revised Statutes, except when the context requires otherwise or as otherwise provided by specific amendment in this Act, substitute for words designating the former Department of Business Regulation, other words designating the Boxing Commissioner.

ARTICLE XIV

Section 1. KRS 246.020 is amended to read:

The efforts of the department shall be directed to the promotion of the interests of agriculture *and* horticulture [, manufactures and to matters relative to labor and to statistics].

Section 2. KRS 246.220 is amended to read:

(1) No person shall in any way hinder, refuse or defeat entrance or inspection by an agent of the department who is performing the

duties of his office for the purpose of combating the European corn borer under subsection (1) of KRS 246.210.

(2) No person shall interfere in any way with the board or any of its members or representatives in the inspection of premises and livestock, or in the testing of livestock on any premises when the object of the inspection or testing is to determine the existence of or to combat in any way, communicable disease in livestock. No person shall interfere in any way with the board or any of its members or representatives in the removal from any premises of livestock found to be infected with a communicable disease.

(3) No person shall hinder the efforts of the State Entomologist or his agents in combating Japanese beetles under KRS 246.210 and 249.200.

(4) No person shall hinder the Entomologist in the performance of any of his duties as State Inspector of Apiaries.

(5) No person shall interfere in any way with inspectors or assistants while they are discharging their duties under KRS 250.020 to 250.170.

[(6) No person shall interfere with or attempt to hinder any representative of the department in the course of his duties in inspecting, grading and marketing of tobacco in green order, under KRS 248.250.]

(6) [(7)] No person shall hinder, prevent or attempt to prevent any person from discharging his duties under KRS 250.240 to 250.270 and 250.290 to 250.350.

(7) [(8)] No person shall in any way impersonate, hinder or obstruct the department or its inspectors in the performance of their official duties under KRS 248.280 to 248.440 or 261.220.

Section 3. KRS 248.010 is repealed and re-enacted to read:

As used in this chapter, unless the context requires otherwise:

(1) "Commissioner" means the Commissioner of Agriculture;

(2) "Department" means the Department of Agriculture;

(3) "Grower" means a bona fide producer of tobacco, either by himself or by tenant, sharecropper or hired person;

(4) "Warehouse" means any tobacco warehouse operating as a place of sale for tobacco in this state; and

(5) "Warehouseman" means the owner, operator, manager, lessee or proprietor of a warehouse engaged in selling tobacco or his agents or employes.

Section 4. KRS 248.990 is repealed and re-enacted to read:

(1) Any tobacco warehouseman, agent, manager, corporation or organization that violates any of the provisions of KRS 248.320 to 248.340 or subsection (2) of KRS 248.350 shall be fined not less than twenty-five dollars nor more than one hundred dollars, and, if a corporation, it shall forfeit all corporate rights and privileges.

(2) Any person who violates any of the provisions of subsection (1) of KRS 248.350, KRS 248.360 or 248.400 shall be fined not less than two hundred dollars nor more than five hundred dollars.

(3) Any person who violates any of the provisions of KRS 248.370, 248.390, 248.440 or willfully violates a regulation of the department, or who refuses to pay the fee provided for by KRS 248.290 shall be fined not less than one hundred dollars nor more than five hundred dollars or imprisoned for not more than three months, or both.

(4) Any person who violates any of the provisions of KRS 248.410 or 248.420 shall be fined not less than five hundred dollars nor more than one thousand dollars.

(5) Any person who fails or refuses to post notices in accordance with subsection (1) of KRS 248.430 or subsection (2) of KRS 248.450 shall be fined not less than fifty dollars nor more than one hundred dollars for each day of failure or refusal.

(6) Any person who violates subsection (2) of KRS 248.430 shall be fined five hundred dollars for each offense.

(7) Any person who violates any of the provisions of subsection (1) of KRS 248.450 shall be fined not less than two hundred dollars nor more than five hundred dollars for each offense.

Section 5. KRS 246.300, 348.020, 248.030, 248.040, 248.050, 248.060, 248.070, 248.080, 248.090, 248.100, 248.110, 248.120, 248.130, 248.140, 248.150, 248.160, 248.170, 248.180, 248.190, 248.200, 248.210, 248.220, 248.230, 248.240, 248.250, 248.260 and 248.270 are repealed.

ARTICLE XV

Section 1. KRS 287.011 is amended to read:

(1) There is created a Department of Banking *and Securities,* which [shall] constitute*s* a [statutory administrative] department of the state government within the meaning of *KRS* Chapter 12 [of the Kentucky Revised Statutes]. The department shall be headed by a Commissioner of Banking *and Securities,* who shall be the executive head of the department and shall be charged with the administration of the department.

(2) The Department of Banking *and Securities* shall [have and] exercise all administrative functions of the state in relation to the

regulation, supervision, chartering and licensing of banks, trust companies, building and loan associations, petty loan companies, investment and industrial loan companies, and credit unions, and in relation to the regulation of securities. For administrative purposes the department may be divided into sections for each class of financial institution under jurisdiction of the department, and there shall be within the department, for regulation of securities, a Division of Securities, headed by a director who *has* [shall have] had at least four years' successful business experience.

[(3) Whenever in the statutes there is a reference to the "Division of Banking," "Director of Banking," "deputy director of banking" or similar official, it shall be deemed to refer respectively, to the Department of Banking, Commissioner of Banking, deputy commissioner of banking or other appropriate official of the Department of Banking.]

Section 2. KRS 287.660 is amended to read:

Each June the director of banking shall make a report to [the Commissioner of Business Regulations to be included in his annual report to] the Governor; setting forth:

(1) A summary of the condition of every bank or trust company organized and doing business under the laws of this state, subject to examination and inspection under this chapter, and such other information relating to such banks and trust companies, as, in his judgment, may be useful;

(2) A statement of every bank or trust company whose business has been closed during the year, that has failed or voluntarily retired during the year;

(3) The name of banks or trust companies placed in his hands in process of liquidation, and the amount of dividends paid thereon;

(4) Any proposed amendment of the laws relating to banks and trust companies, by which the system, in his judgment, may be improved, and by which the security of creditors, depositors, and stockholders may be increased.

Section 3. KRS 287.990 is amended to read:

(1) Any person who violates subsection (1) of KRS 287.030 shall be fined not less than twenty nor more than fifty dollars for each day he is engaged in the private banking business.

[(2) Any person who violates subsection (2) of KRS 287.390 shall be fined not more than two hundred dollars or imprisoned not more than thirty days, or both.]

(2) [(3)] Any institution that fails to make the report required by KRS 287.420 to the *commissioner* [director of banking] within five days after the report is due or demanded, or that fails to have the report published as required by KRS 287.420, shall pay a penalty of two hundred dollars to be sued for and collected by the *commissioner* [director of banking] in the name of the state.

(3) [(4)] If any person violates subsection (4) of KRS 287.440 his office shall ipso facto become vacant. The president or cashier of any bank or trust company to which any person becomes indebted in violation of subsection (4) of KRS 287.440 shall immediately report such fact to the commissioner [of Business Regulations], who shall remove the person so offending.

(4) [(5)] Any officer of a bank who violates KRS 287.550, shall be imprisoned in the penitentiary for not less than one nor more than ten years.

(5) [(6)] Any receiver of an insolvent institution who fails to comply with the provisions of this chapter *is* [shall be] subject to the same penalties provided for solvent institutions and officers so offending.

(6) [(7)] Any directors of a bank who knowingly violate, or knowingly permit any officer or employe of the bank to violate, any of the laws relating to banks, *are* [shall be] jointly and severally liable to the creditors and stockholders for any loss or damage resulting from *the* [such] violation. If the loss or damage is not made good within a reasonable time, the *commissioner* [director of banking], with the consent of the Attorney-General, shall institute proceedings to revoke the corporate powers of the bank.

(7) [(8)] Any deputy *commissioner* [director of banking] or any examiner who has knowledge of the insolvency or unsafe condition of a state bank or trust company, or that it is inexpedient to permit the bank or trust company to continue business, and who fails to immediately present a signed report of such facts to the *commissioner* [director of banking], or who violates any of the provisions of this chapter, shall forfeit his office and shall be fined not less than one hundred nor more than two thousand dollars for each offense.

(8) [(9)] Any *commissioner* [director of banking] who has knowledge of the insolvency or unsafe condition of a state bank or trust company, or that it is inexpedient to permit the bank or trust company to continue business, and who willfully fails to take the action prescribed by this chapter, or who violates any of the provisions of this chapter, shall forfeit his office and shall be fined not less than five hundred nor more than five thousand dollars for each offense.

(9) [(10)] Any bank or trust company that knowingly fails to make a report required by law or by the *commissioner* [director of banking] within the time designated for the making thereof, or fails to include in *its* [such] report any matter required by law or by the *commissioner* [director of banking], or fails to publish a report within thirty days after it should have been published, or fails to pay when due the fees for filing reports or for an examination of the bank, shall be subject to a penalty of twenty-five dollars for each day of delinquency, but the aggregate penalty for each kind of offense shall not exceed two hundred and fifty dollars.

(10) [(11)] Each person, bank or trust company that willfully makes or transmits a false report or refuses to submit its books, papers and assets for examination, or any officer of a bank who refuses to be examined under oath concerning the affairs of the bank, shall be severally fined not less than one hundred nor more than five hundred dollars.

(11) [(12)] Whenever any penalty imposed by subsections *(5), (7), (8), (9) or (10) of this section* [(6), (8), (9), (10) or (11)] is not paid, the Attorney-General shall institute an action, in the name of the state, in the Franklin circuit court or the circuit court of the county in which the offense was committed, for the recovery of the penalty.

(12) [(13)] Any person violating any of the provisions of KRS 287.225 *is* [shall be] guilty of a misdemeanor and *shall be* fined not less than fifty dollars nor more than two thousand dollars.

Section 4. KRS 289.400 is amended to read:

The *commissioner* [director of banking] shall compile the reports of all associations required to be filed in his office and shall present the reports, together with such additional information concerning associations as may be of general interest, [to the Commissioner of Business Regulation, who shall include them] in his annual report to the Governor.

Section 5. KRS 291.010 is amended to read:

[(1) The provisions of KRS 291.020 to 291.110 do not apply to companies organized under the provisions of KRS 291.120 to 291.160.]

[(2)] As used in KRS 291.020 to 291.110, *unless the context requires otherwise:*

(1) "Commissioner" [(a) "Director of Banking"] means the Commissioner of Banking *and Securities;* [and]

(2) [(b)] "Foreign investment company" means an investment company organized under the laws of any other state; *and*

(3) [As used in KRS 291.020 to 291.110,] "Investment company" means any corporation, company, partnership or association [, except companies organized under KRS 291.120,] organized for the purpose of placing or selling investment securities of any kind on any plan of payment, and providing for the redemption and retirement of such securities or any part thereof.

[(4) As used in KRS 291.120 to 291.160, "company" means a loan and investment corporation organized under KRS 291.120.]

Section 6. In order to represent accurately the text of statute sections impliedly amended by Chapter 191, Kentucky Acts 1946, and Chapter 106, Kentucky Acts 1962, the Reviser of Statutes may in subsequent editions of Kentucky Revised Statutes, except when the context requires otherwise or as otherwise provided by specific amendment in this Act, substitute for words designating the former Division of Banking or Department of Banking, other words designating the Department of Banking and Securities; and for words designating the former Director of Banking or Commissioner of Banking, other words designating the Commissioner of Banking and Securities.

Section 7. KRS 288.650 is repealed.

ARTICLE XVI

Section 1. KRS 56.065 is amended to read:

As used in KRS 56.070 to 56.180, unless the context requires otherwise:

(1) "Subject of risk" means any or all property reasonably considered to be subject to loss or damage by any single occurrence of any event insured against.

(2) "Extended coverage" means the perils of windstorm, hail, explosion, riot, riot attending a strike, civil commotion, aircraft, vehicles and smoke as used and defined in the Uniform Standard Form approved by the *former* Division of Insurance as of June 15, 1950.

(3) *"Department"* ["Division of Insurance"] means the [Division or the] Department of Insurance.

Section 2. KRS 303.123 is amended to read:

[(1) From and after June 13, 1944 it shall be unlawful for any agreement, policy, contract, bond, assurance, or guarantee or bylaw of any burial association or association of a similar nature to provide for the payment of benefits or proceeds of any such agreement, policy, contract, bond, assurance or guarantee, or any part thereof, to any designated or particular undertaker or undertaking concern or to any particular or designated tradesman or business man or to any undertaker, undertaking concern, tradesman or business man out of any particular or designated group of undertakers, undertaking concerns, tradesmen or business men; but any undertaker or undertaking concern authorized to do business in this state and who qualifies under the terms of KRS 303.122 may upon request of the personal representative or family of a deceased member, or any other person having charge of the funeral of any deceased member, perform the provisions of the agreement, policy, contract, bond, assurance or guarantee and upon such performance shall be entitled to receive the benefits and proceeds provided for therein.]

[(2)] No agreement, policy, contract, bond, assurance or guarantee of any burial association or association of a similar nature authorized to do business in the Commonwealth of Kentucky *is* [shall be] transferable or assignable nor *are* [shall] the benefits or any part thereof [be] transferable or assignable.

Section 3. KRS 304.990 is amended to read:

(1) [Penalties for particular offenses.] Any person violating any of the following requirements or provisions of this code shall, upon conviction by a court of competent jurisdiction, be subject to the penalty prescribed therefor:

(a) Illegal contracts. Any person who makes a contract of insurance without complying with the applicable requirements of this code shall be liable to a fine of not more than one thousand dollars for each offense.

(b) Contempt or obstruction. Any person who refuses without justifiable cause, to appear and testify when required to do so under the provisions of KRS 304.037, or who obstructs the commissioner in the discharge of his duty, shall, for each offense, be fined not more than one thousand dollars or imprisoned for not more than one year.

(c) Business without authority. Any insurer that transacts insurance in this state without a certificate of authority as provided for by this code shall be fined one hundred dollars for each day it continues to write new business in this state without the certificate. A suit to recover this penalty shall be instituted in the name of the Commonwealth by the Attorney-General in the Franklin Circuit Court, when [ever so] directed by the commissioner.

(d) Business after authority suspended or revoked. Any insurer that writes any new business in this state during the suspension or after revocation of its certificate of authority shall forfeit not more than one thousand dollars for each offense.

(e) Annual statement. Any insurer failing to make and file its annual statement with the commissioner as required by this code, shall be subject to a fine of five hundred dollars for each failure.

(f) Business through local agents. Any person who violates KRS 304.097 shall be fined not less than five hundred dollars nor more than one thousand dollars for each offense.

[(g) Highway contracts. Any insurer violating KRS 304.101, shall, upon conviction, be fined not less than one thousand dollars nor more than five thousand dollars, in the discretion of the jury. Any agent violating KRS 304.101 shall, upon conviction, be fined not less than one hundred dollars nor more than five hundred dollars, in the discretion of the jury.]

(g) [(h)] Prohibited fees on investments. Any person who violates KRS 304.448 shall be fined not less than five hundred dollars nor more than one thousand dollars, and confined in the county jail for not less than sixty days nor more than one year, for each offense.

(h) [(i)] Deposit requirements. If the Custodian of Insurance Securities or any other person willfully violates any provision of this code relating to the deposit of assets by insurers, or willfully fails to keep, deposit, account for or surrender, faithully, any securities deposited or received, he shall be fined not more than ten thousand dollars. If the offender is the custodian or any other individual, he shall, in addition to the fine, be confined in the penitentiary for not less than two nor more than ten years.

(i) [(j)] Representing unauthorized insurer. Any person who violates KRS 304.580 shall be fined not less than twenty-five dollars nor more than five hundred dollars, or confined in the penitentiary for not more than one year, or both.

(j) [(k)] Rate Supervision. Any person violating any provision of KRS 304.600 to 304.644 shall, upon conviction, be fined not more than fifty dollars for each violation, but if such violation is found to be willful such person shall be fined not more than five hundred dollars for each such violation.

(k) [(l)] Altering application. Any person who violates KRS 304.654 shall be fined not more than one thousand dollars or confined in the penitentiary for not more than one year, or both.

(l) [(m)] Agreement contrary to policy. Any person who violates subsection (2) of KRS 304.667 shall be fined not more than five hundred dollars.

(m) [(n)] Unfair discrimination. Any person who knowingly violates KRS 304.931 shall be fined not more than five hundred dollars.

(n) [(o)] False statements or reports. Any person whose duty it is to make or file any statement, report or other instrument in writing required by this code, who knowingly falsifies or fraudulently makes or files such statement, report, or other instrument, shall be

imprisoned in the penitentiary for not less than two years nor more than ten years.

(o) [(p)] Rebates and illegal inducements. Any person who violates KRS 304.932 or 304.934 shall be fined not more than five hundred dollars.

(p) [(q)] Unlawful Boycott, Coercion. Any person who violates KRS 304.926 shall be fined not more than one thousand dollars or confined in the penitentiary for not more than one year, or both.

(q) [(r)] "Twisting." Any person who violates KRS 304.942 shall be fined not more than five hundred dollars for each offense.

(r) [(s)] Illegal taking of premiums. Any person who violates KRS 304.943 shall be fined not more than one thousand dollars or confined in the penitentiary for not more than one year, or both.

(2) General penalty. Any person who violates any provision of this code, other than provisions for which specific penalties are provided in subsection (1) of this section, or who knowingly violates any proper order of the commissioner given pursuant to this code, shall be fined not less than twenty-five dollars nor more than seven hundred and fifty dollars, or confined in the county jail for not less than ten days nor more than thirty days, or both.

(3) The penalties provided in this section shall be in addition to any other penalty or forfeiture provided by this code as to any such violation.

Section 4. In order to represent accurately the text of statute sections impliedly amended by Chapter 21, Kentucky Acts 1950, the Reviser of Statutes may in subsequent editions of Kentucky Revised Statutes, except when the context requires otherwise or as otherwise provided by specific amendment in this Act, substitute for words designating the former Division of Insurance, other words designating the Department of Insurance; and for words designating the former Director of the Division of Insurance, other words designating the Commissioner of Insurance.

Section 5. KRS 303.120 and 303.124 are repealed.

ARTICLE XVII

Section 1. KRS 15.145 is amended to read:

(1) The Attorney-General in addition to the Assistant Attorneys-General now allowed by law, shall, with the approval of the Railroad Commission of Kentucky, appoint an Assistant Attorney-General for the Railroad Commission who shall serve for the term of the Attorney-General making the appointment, unless sooner removed by him. He shall be at least thirty years of age, and shall be a licensed, practicing

attorney of this state, and with eight years of experience in the practice of law, and shall be an attorney also licensed to practice before the Interstate Commerce Commission, with at least four years of experience in practicing before that Commission.

(2) He shall give all necessary time to the business connected with the Railroad Commission; shall represent that Commission and the Commonwealth of Kentucky in all rate litigation and hearings, advise the [said] Commission and its members, officers or employes, when requested, under the authority of the Attorney-General. The Assistant Attorney-General shall, under the authority of the Attorney-General, perform other duties connected with the office of the Attorney-General when his time is not required by the Railroad Commission.

(3) The Assistant Attorney-General shall receive a salary fixed by the Railroad Commission, with the approval of the Attorney-General, in a sum not to exceed *the maximum allowed under KRS 64.640.* [four thousand five hundred dollars per annum.] His salary and necessary expenses shall be paid by the Railroad Commission out of its appropriation, in monthly installments. He shall be entitled to the services of a stenographer at a salary of not to exceed *the maximum allowed under KRS 64.640,* [two thousand one hundred dollars per annum] to be determined by the Commission, with the approval of the Attorney-General.

Section 2. KRS 21.010 is amended to read:

The Court of Appeals shall consist of seven judges [, each of whom shall receive an annual salary of five thousand dollars].

Section 3. KRS 21.150 is amended to read:

The judges of the Court of Appeals, a majority of them concurring, *may* [are hereby authorized to] appoint four commissioners, who shall hold office at the pleasure of the court and who shall discharge *the* [such] duties [as may be] assigned to them by the court. Every commissioner [so] appointed must have the qualifications prescribed by law for a judge of the Court of Appeals [and as herein prescribed]. Each commissioner [shall receive the same salary, to be paid at the same time, and in the same manner, as a judge of the Court of Appeals, and] shall [also] be allowed for clerical assistance the same amount which is allowed by law to a judge of the Court of Appeals. Each commissioner shall be provided with an office in the Capitol at Frankfort, and the same shall be furnished in a way suitable for his duties by the Division of Purchases and Public Properties, and the expenses therefor shall be paid by a warrant [to be] drawn by the Department of Finance upon the State Treasurer. When the business of the court does not require their services the court shall terminate the appointment of any or all of the commissioners.

Section 4. KRS 25.280 is amended to read:

The judge of the county court, in each county of this Commonwealth wherein the fiscal court may authorize, *may* [is hereby authorized to] appoint a trial commissioner [or commissioners] who shall hold office at the pleasure of the judge, and shall discharge *the* [such] judicial duties [as may be] assigned to him by the judge. The commissioner shall report his actions to the judge for the approval or disapproval of the judge. The commissioner must possess the qualifications of a judge of the county court. [He shall receive a salary to be fixed by the fiscal court of the county, which salary shall not exceed fifty dollars per annum, except in counties containing a population of two hundred thousand or more and in counties containing a city of the second class, in which counties, by reason of the increased duties of the county judge resulting from the amount of population, the fiscal court may fix the salary of the commissioner at not more than thirty-six hundred dollars per annum. The salary of the commissioner shall be paid in the same way as the county judge is paid.]

Section 5. KRS 26.150 is amended to read:

In cities of the second class the police court shall have one judge. He shall receive a salary fixed by ordinance [at not more than $4800 nor less than $3000 per annum,] and no other compensation except the fees allowed to judges for holding examining trials in felony cases. He shall have each year a vacation of one month. No person shall be eligible to be police judge unless at the time of his election he is at least twenty-five years of age and has been a resident of the city for at least four years.

Section 6. KRS 26.610 is amended to read:

(1) The police judge of every city of the first class shall appoint two court matrons for a term of two years, and until the qualification of their successors, and may remove them for good cause. The judge shall cause his reasons for removal to be entered in the minutes of his court. The judge may fill all vacancies occurring in the office of court matrons. One matron shall be white and the other shall be of the colored race.

(2) The court matrons shall be women of good moral character, with experience and training in social work, and otherwise fully qualified to perform the duties of their office. They shall be twenty-one years of age or older.

(3) The court matrons shall investigate and report to the police judge upon the past histories, conditions of living, character, morals and habits of all women and girls awaiting trial in the police court, and shall exercise supervision of such women and girls while they are under suspended sentence until final disposition of the charges against them.

(4) The *court matrons* [white court matron shall be paid out of the city treasury a salary of one hundred and twenty dollars per month, and the colored matron shall be paid out of the city treasury a salary of one hundred and twenty dollars per month, and they] shall be allowed, subject to the approval of the police judge, all necessary expenses incidental to investigation of cases.

Section 7. KRS 26.620 is amended to read:

The police judge in cities of the first class may appoint and remove at will a doorkeeper who shall stand at and guard the door of the court, preserve order and perform [such] other services [as are] directed by the police judge. [The doorkeeper shall receive a salary of ninety dollars per month to be paid out of the city treasury.] He shall have the same powers that policemen serving in the police court have under KRS 26.340 and 26.600.

Section 8. KRS 28.510 is amended to read:

The judge of the police court in cities of the first class may appoint, for a term of not more than four years, a stenographic reporter. [He shall be paid by the city a salary of three thousand dollars per annum, and] *T*he judge may remove him at pleasure. The stenographer may have such vacation as the judge allows, not exceeding thirty days in any one year. During vacation, the judge of the police court may appoint a reporter pro tem. [who shall be paid at the rate of ten dollars per diem during the vacation period of the regular stenographic reporter. The reporter pro tem's salary shall not exceed three hundred dollars in any one year.]

Section 9. KRS 28.650 is amended to read:

The judge of the police court in cities of the first class may appoint, for a term not exceeding four years, an interpreter, [who shall be paid nine hundred dollars per annum,] and the judge may remove him at pleasure.

Section 10. KRS 41.060 is amended to read:

The Treasurer shall appoint an assistant and may remove him at pleasure. The assistant may perform any of the duties of the Treasurer, excepting the signing of checks, and shall perform the duties of clerk. If the Treasurer is disabled by sickness, or if he absents himself from the seat of government, he shall notify the Governor in writing of the facts, and recommend his assistant or some other person to discharge the duties of the office during his sickness or absence. If the Governor approves the recommendation he shall enter his approval on the executive journal, after which the assistant or other person may perform all the duties of the Treasurer until he is restored to health or returns to the seat of government. The Treasurer and his sureties shall be responsible on his bond for all the acts and omissions of the assistant. The salary of the assistant shall be *determined according to the provisions of KRS 64.640.* [fixed by the Treasurer, subject to the provisions of KRS 12.050, 12.060 and 18.210 to 18.320]

Section 11. KRS 43.020 is amended to read:

The Auditor shall [receive an annual salary of five thousand dollars, payable monthly. He shall] reside and keep his office at the seat of government.

Section 12. KRS 64.480 is amended to read:

[Effective, with respect to the offices of Governor and Lieutenant Governor, on the fifth Tuesday following the regular November election in 1959, and with respect to the other offices named in this section, on the first Monday in January, 1960,] *The annual* compensation of the following named officers, payable monthly out of the State Treasury, shall be [the sum per annum designated for the respective offices,] as follows:

Governor, $18,000;

Lieutenant Governor, an amount sufficient, when added to any per diem received during sessions of the General Assembly while serving in the capacity of President of the Senate, to equal $12,000 per annum, plus any compensation received while acting in the place of the Governor;

Attorney General, $12,000;

Superintendent of Public Instruction, $12,000;

Commissioner of Agriculture, $12,000;

Secretary of State, $12,000;

State Treasurer, $12,000;

Auditor of Public Accounts, $12,000;

Clerk of the Court of Appeals, $12,000.

Section 13. KRS 64.510 is amended to read:

(1) The maximum compensation that may be received by a Commonwealth's attorney out of the State Treasury, including the annual salary and the percentage of fines and forfeitures provided for in *subsection (2) of this section* [KRS 69.050], shall not exceed $6,000 *and the amount provided by KRS 64.515.*

(2) Each Commonwealth's attorney shall receive an annual salary of $500 to be paid out of the State Treasury. In addition thereto and in lieu of all taxed fees and perquisites, he shall be allowed the sum of $5,500 a year out of the fines and forfeitures rendered in his district, to be paid monthly out of the fines and forfeitures collected and paid into the State Treasury each month. Except as provided in KRS

150.160, he shall receive forty percent of all fines and forfeitures recovered in prosecutions before any county judge or magistrate and all of the fines and forfeitures rendered in circuit court except that part now allowed the circuit clerk and the county attorney. When the fines and forfeitures rendered in favor of the Commonwealth in the several courts in his district in any year are not sufficient to allow him $5,500 and in the succeeding year they are sufficient to exceed that amount, he shall be paid out of the excess, if sufficient, the sum necessary to bring his compensation from fines and forfeitures for the preceding year to $5,500. In no case shall he receive more than the maximum allowed under subsection (1) of this section.

(3) Counties shall have the same authority to allow and pay additional compensation to the Commonwealth's Attorney as is confered by KRS 64.500 with respect to circuit judges, within the constitutional limit on the compensation of local officers.

Section 14. KRS 64.520 is amended to read:

(1) In any judicial district composed of only one county the assistant Commonwealth's attorney and the stenographers and district detectives for the Commonwealth's attorney, provided for by law, shall receive such compensation, payable out of the county treasury, as is fixed by the fiscal court, *subject to Sections 17 and 18.*

(2) In any judicial district composed of more than one county, for which an assistant Commonwealth's attorney, stenographer or district detective for the Commonwealth's attorney is provided for by law, the fiscal courts of the several counties shall, by joint action, exercise the powers conferred by this section upon the fiscal courts of single-county districts with respect to fixing compensation, and such compensation shall be paid out of the county treasuries of the respective counties in proportion to the amount of work attributable to each county, the proportion being certified by the Commonwealth's attorney.

Section 15. KRS 64.640 is repealed and re-enacted to read:

(1) Except as otherwise provided in subsection (2) of this section, and excepting officers elected by popular vote, commissioners of the Court of Appeals, employes of the General Assembly, including employes of the Legislative Research Commission, members of boards and commissions, and presidents and employes of the University of Kentucky and the state colleges, the Department of Personnel shall prepare a schedule of compensation, payable out of the State Treasury, with a minimum and maximum salary rate, and such intermediate salary rates as are deemed necessary or advisable, for the office or position of employment of every state officer and employe, including specifically the offices and positions of employment in every constitutional administrative department, statutory administrative depart-

ment, independent agency, or other unit of state government. Such schedules shall be based upon studies of the duties and responsibilities of the offices and positions and upon a comparison with rates being paid for similar or comparable services elsewhere, and in the preparation of such schedules, the Department of Personnel shall ascertain and record his duties, responsibilities and authority pertaining to the various offices and positions in the state service, and classify such positions in the manner provided in KRS 18.190 to 18.230. No such schedule shall become effective until it has been approved by the Governor.

(2) The Governor shall set the compensation payable out of the State Treasury to each office or position in the state service hereinafter named. Such compensation shall be based upon studies of the duties and responsibilities of the positions and upon a comparison with compensation being paid for similar or comparable services elsewhere; provided, however, such compensation shall not exceed $17,500.

(a) Adjutant General, Commissioner of Alcoholic Beverage Control, Executive Director of the State Tuberculosis Sanatoria Commission, Commissioner of Child Welfare, Commissioner of Conservation, Commissioner of Commerce, Commissioner of Economic Security, Commissioner of Finance, Commissioner of Health, Commissioner of Highways, Commissioner of Public Information, Commissioner of Public Safety, Commissioner of Revenue, Commissioner of Banking and Securities, Commissioner of Insurance, Commissioner of Motor Transportation, Commissioner of Personnel, Commissioner of Corrections, Commissioner of Mines and minerals, [. (b)] Administrator of Distilled Spirits Unit, Administrator of Malt Beverages Unit, Commissioner of Aeronautics, Commissioner of Fish and Wildlife Resources, Commissioner of Labor, Director of the Commission for Handicapped Children, Manager of the Kentucky State Fair, [Reviser of Statutes] *and* Chairman of the Public Service Commission.

(b) [(c)] Members of the Public Service Commission, other than the chairman, members of the Workmen's Compensation Board, the provisions of KRS 64.660 to the contrary notwithstanding, and heads of statutory departments and agencies other than those named in paragraphs (a) [and (b)] of this subsection.

(3) The compensation payable out of the State Treasury to officers and employes subordinate to any office or position listed in subsection (2) of this section shall not exceed the maximum rate established pursuant to subsection (2) of this section for such office or position, except with respect to physicians as provided in KRS 64.655 and employes of the Public Service Commission of Kentucky whose compensation shall be fixed, within constitutional limits, by the Department of Personnel with the approval of the Governor as provided in subsection (1) of this section.

(4) The compensation payable out of the State Treasury to any subordinate officer or employe in any department, agency, board or commission of the state government not covered by subsection (3) of this section, except elective officers, their assistants and employes, shall not exceed $7,500 per annum, provided however that Doctors of Veterinary Science may be paid not to exceed $10,000 per annum.

(5) Nothing in this section shall preclude the allowance of maintenance to officers and employes of the state.

Section 16. KRS 64.690 is amended to read:

(1) Except as provided in KRS 64.610 and 64.700 and in [subsections (2), (3) and (4) of] this section, KRS 64.480 to 64.760 are intended to supersede any existing statute, [or provision of the Civil Code or Criminal Code, and any other Act enacted at the 1950 Session of the General Assembly,] fixing the compensation, or authorizing any public officer or body to fix the compensation, of any public officer or employe covered by KRS 64.480 to 64.760.

(2) Any public officer or body which [now] has authority to fix the compensation of any state officer or employe covered by KRS 64.640 shall [continue to] exercise such authority, subject to the schedule and limits of compensation for the particular office or position prescribed under KRS 64.640.

(3) KRS 64.480 to 64.760 are not intended to supersede any existing statute, [or any Act enacted at the 1950 Session of the General Assembly,] with respect to the compensation of circuit clerks, county clerks, sheriffs, jailers, master commissioners and receivers, and their deputies and assistants, in counties containing a population of 75,000 or more, or county tax commissioners, their deputies and assistants, in any county.

[(4) Until such time as the new rates of compensation for the officers named in KRS 6.190 and 64.480 become effective under those sections, KRS 64.480 to 64.760 are not intended to supersede the existing statutes relating to the compensation of those officers, and KRS 64.480 to 64.760 are not intended at any time to supersede the existing statutes relating to the compensation of the Chief Clerks of the Senate and House of Representatives except as to subsection (3) of KRS 6.230.]

Section 17. The following new section is inserted in the Act of the General Assembly now appearing as KRS 64.480 to 64.760:

(1) In counties having a population of 200,000 or more:

(a) The first and second assistant Commonwealth's attorneys appointed under KRS 69.070 shall each receive an annual salary of not less than $5,000 nor more than $6,000. Other assistant Commonwealth's attorneys appointed under KRS 69.070 shall each receive an annual salary of not less than $4,800.

(b) The stenographers appointed under KRS 69.100 shall each receive an annual salary of not less than $2,700. The stenographer appointed to perform the duties of record clerk shall receive an annual salary of not less than $3,600.

(2) The salaries described in subsection (1) of this section shall be paid in equal monthly installments out of the county levy. Such salaries may be increased by the fiscal court in accordance with KRS 64.520.

Section 18. The following new section is inserted in the Act of the General Assembly now appearing as KRS 64.480 to 64.760:

(1) In counties having a population of 150,000 or more, the district detectives appointed under KRS 69.110 shall each receive an annual salary of not less than $3,600.

(2) In counties containing a city of the second class, the district detective appointed under KRS 69.110 shall receive an annual salary of not less than $4,000 nor more than $6,000.

(3) In counties containing a population of 40,000 or more but not containing a city of the second class, the district detective appointed under KRS 69.110 shall receive an annual salary of not less than $1,800 nor more than $4,800.

(4) The salaries described in subsections (1) to (3) of this section shall be paid in equal monthly installments out of the county levy. Such salaries may be increased by the fiscal court in accordance with KRS 64.520.

(5) In counties containing a city of the first class the fiscal court may authorize the payment out of the county treasury of sums sufficient to reimburse the district detectives for expenses incurred for gasoline and motor oil used in the performance of their official duties, and may prescribe the amount, manner and conditions of payment.

Section 19. KRS 68.175 is amended to read:

In counties containing a city of the second class the fiscal court *may* [is authorized to] employ some person to make all purchases needed in the operation of *the* [such] county and needed by the officers thereof, the method and manner of making such purchases to be fixed and determined by the fiscal court at the time of the employment of such person. [Such fiscal court is authorized to pay such person as compensation a sum not to exceed three thousand dollars per year.]

Section 20. KRS 69.050 is amended to read:

Each Commonwealth's attorney shall receive an annual salary of $500 to be paid out of the State Treasury. In addition thereto and in lieu of all taxed fees and perquisites he shall be allowed the sum of *$5,500* [$4,500] per annum out of the fines and forfeitures rendered in favor of the Commonwealth in the several courts in his district, to be paid monthly out of the fines and forfeitures collected and paid into the State Treasury each month. Except as provided in KRS 150.160 he shall receive forty percent of all fines and forfeitures recovered in prosecutions before any county judge or magistrate and all of the fines and forfeitures rendered in circuit court except that part now allowed the circuit court and the county attorney. When the fines and forfeitures rendered in favor of the Commonwealth in the several courts in his district in any year are not sufficient to allow him *$5,500* [$4,500] and in the succeeding year they are sufficient to exceed that amount, he shall be paid out of the excess, if sufficient, the sum necessary to bring his compensation from fines and forfeitures for the preceding year to *$5,500* [$4,500]. In no case shall he receive more than *the maximum allowed under KRS 64.510* [$5,000] out of the State Treasury for any one year, but the fiscal court of any county may allow the Commonwealth's attorney for that county additional compensation as it deems proper, to be paid as other claims against the county are paid.

Section 21. KRS 69.070 is amended to read:

In counties having a population of 200,000 or more the Commonwealth's attorney shall appoint a first, second and third assistant Commonwealth's attorney for terms of four years each, but they may be removed at any time by the Commonwealth's attorney. In such counties where there are two or more criminal divisions of the circuit court, the Commonwealth's attorney may appoint, in addition to a first, second and third assistant Commonwealth's attorney, such other assistant Commonwealth's attorneys, not to exceed seven or a total of ten assistant Commonwealth attorneys, as the Commonwealth's attorney may deem necessary, one of whom shall act as secretary to the grand jury. [The first and second assistant Commonwealth's attorneys shall each receive an annual salary of not less than $5,000 nor more than $6,000. Other assistant Commonwealth's attorneys in counties having two or more criminal divisions of the circuit court, shall receive an annual salary of not less than $4,800. Salaries of assistant Commonwealth's attorneys shall be payable in equal monthly installments out of the county levy. Such salaries may be increased by the fiscal court in accordance with KRS 64.520.]

Section 22. KRS 69.100 is amended to read:

In counties having a population of 200,000 or over the Commonwealth's attorney shall appoint four stenographers for terms of four years subject to removal at any time by the Commonwealth's attorney.

Three of the stenographers shall do stenographic work and typewriting for the Commonwealth's attorney and perform other duties assigned to them by the Commonwealth's attorney. [They shall each receive an annual salary of not less than $2700.] One stenographer shall perform the duties of record clerk [and shall receive an annual salary of not less than $3600. The salaries of all stenographers shall be payable out of the county levy in equal monthly installments and such salaries may be increased by the fiscal court in accordance with the provisions of KRS 64.520.] The stenographers [shall] have the same power of administering an oath as a notary public.

Section 23. KRS 69.110 is amended to read:

(1) In counties having a population of 150,000 or more the Commonwealth's attorney shall appoint four district detectives for a term of four years subject to removal at any time by the Commonwealth's attorney. [The district detectives shall each be paid a salary of $3,600 annually, paid out of the county levy in equal monthly installments. Such salaries may be increased by the fiscal court in accordance with KRS 64.520.]

(2) In counties containing a city of the second class the Commonwealth's attorney shall appoint a district detective for a term of four years subject to removal at any time by the Commonwealth's attorney. [He shall receive an annual salary of not less than $4,000, nor more than $6,000, to be fixed by the fiscal court and paid out of the county levy in equal monthly installments.]

(3) The detectives appointed pursuant to [subsections (1), (2) or (5) of] this section shall have the same powers of arrest and right to execute process as sheriffs have. They shall assist the Commonwealth's attorney in all matters pertaining to his office in the manner he designates and shall assist him in the preparation of all criminal cases in circuit court by investigating the evidence and facts connected with such cases.

[(4) In counties containing a city of the first class the fiscal court may authorize the payment out of the county treasury of sums sufficient to reimburse the district detectives for expenses incurred for gasoline and motor oil used in the performance of their official duties, and may prescribe the amount, manner and conditions of payment.]

(4) [(5)] In counties containing a population of 40,000 or more persons but not containing a city of the second class, the Commonwealth's attorney may, if the fiscal court concurs therein, appoint a district detective having a term of four years subject to removal at any time by the Commonwealth's attorney. [Such district detectives may receive an annual salary of not less than $1,800 nor more than $4,800.]

Section 24. KRS 69.330 is amended to read:

In counties containing a city of the second class, the county attorney shall appoint a stenographer for a term of four years, subject to removal at any time by the county attorney. [The stenographer shall receive an annual salary of not less than $600 nor more than $1800 to be paid by the fiscal court out of the county levy in equal monthly installments.]

Section 25. KRS 69.340 is amended to read:

In all counties of this Commonwealth containing cities of the third or fourth class or fifth class, or a county containing a part of a third class city, or having a population of fifty thousand people or over there is [hereby] created, subject to the discretion of the fiscal court or county commissioners of *the* [said] county, the office of stenographer or clerk to the county attorney. *The* [Said] stenographer or clerk shall be appointed by the county attorney for a term of four years but may be removed at any time by the [said] county attorney. [Said stenographer shall receive a salary of not less than six hundred dollars nor more than one thousand five hundred dollars per annum, to be fixed by the fiscal court of such county, and shall be payable out of the county levy of said county in equal monthly installments.] This section does not apply to counties containing a city of the first or second class.

Section 26. KRS 70.320 is amended to read:

(1) The appointment of deputy constables shall be authorized only in counties containing a first or second-class city. In such counties each constable may appoint one or more deputies with the consent of the county judge. The constable and his surety shall be liable on his bond for all the acts and omissions of his deputies.

(2) Deputy constables may be removed at any time for any cause deemed sufficient by the constable by order of the county court entered after filing of a written direction by the constable.

[(3) Each deputy constable in counties containing a city of the first class, shall be compensated for his services by salary fixed by the fiscal court, and paid out of the county levy, such salary to be not less than $4,000 per annum nor in excess of $5,500 per annum.]

Section 27. KRS 70.560 is amended to read:

[The fiscal courts of the respective counties shall fix the salaries or compensation of the chief and all other appointees and employes appointed by the county judge in accordance with the provisions of KRS 70.540, provided, however, that no patrolman shall be paid more than $2,400 per annum, no captain shall be paid more than $2,700 per annum, no assistant chief shall be paid more than $3,000 per annum, and no chief shall be paid more than $3,600 per annum, which salaries or compensation shall be payable in equal monthly installments out of the county levy, and further provided, that no fees or other compensation shall be paid or allowed to any of the officers or members of said county police force. Provided, however, that the above salaries shall only apply to counties having a population of 70,000 or more inhabitants; that in counties having less than 70,000 inhabitants and more than 25,000 inhabitants the salary of no person appointed under KRS 70.540 shall exceed $1,800 per annum, and in all other counties no person appointed under KRS 70.540 shall receive a salary in excess of $25 per annum.] The fiscal court [shall, by order, fix the amount of the salary of all appointees within the limitations herein provided and] may within their discretion provide for motor vehicles, stations, substations, places of detention, telephone, wireless, radio or other means of communication within their discretion and make appropriate levy and appropriations therefor, and may also, with the approval of the judge of the county court, direct the amount of bond to be required of each member of *the* [said] county police force and may, in their discretion, provide for the payment of premiums on *the* [said] bonds out of funds appropriated for *the* [said] county police force.

Section 28. KRS 72.130 is amended to read:

In counties having a population of 200,000 or more the coroner shall appoint a chief deputy coroner and one other deputy coroner whose duties shall be to keep the books of the office, summon jurors and witnesses for the inquests, and perform any other duties assigned to him by the coroner. The deputy coroners shall have the same power of serving process for the coroner as a deputy sheriff. The deputy coroners shall be appointed for a term of four years and are subject to removal by the coroner at any time. [The chief deputy shall receive a salary of $3,600 per annum and the other deputy shall receive a salary of $2,400 per annum payable out of the county treasury in equal monthly installments.]

Section 29. KRS 72.140 is amended to read:

In counties having a population of 200,000 or more the coroner shall appoint a stenographer to perform any stenographic or clerical work required by the coroner in connection with his office. [The stenographer shall receive an annual salary of not more than $1,800 payable out of the county treasury in equal monthly installments.] The stenographer is removable at the will of the coroner.

Section 30. KRS 89.110 is amended to read:

(1) In cities of the second class [the mayor shall receive an annual salary of $4,000, and] each commissioner shall receive an annual salary of $3,600.

(2) In cities of the third class [the mayor and] each commissioner shall receive an annual salary of not less than $500 nor more

than $3,000, to be fixed in the question submitted to the voters as provided in *subsection (3) of* KRS 89.030 [(3)], subject to change thereafter, within the above limits, by ordinance of the board of commissioners, which ordinance shall be submitted to the voters, the same as if a petition for referendum had been filed in the manner provided in KRS 89.230 and 89.240; also subject to change, within the above limits, by initiative proceedings as provided in KRS 89.250.

(3) In cities of the fourth class the [mayor, police judge and] commissioners shall each receive an annual salary, for their first term under the commission form of government, in the amount fixed in the question submitted to the voters as provided in *subsection (4) of* KRS 89.030 [(4)]. Thereafter, at least sixty days before the day for holding the primary election provided for by KRS 89.060, the board of commissioners shall, by ordinance, fix the salary of the [mayor, police judge and] commissioners to be elected at the next regular election. The salaries so fixed for each office shall not be less than the salaries then being paid for that office; [the salary of the mayor shall not exceed $1,200 per annum, and] the salary of [the police judge and] each commissioner shall not exceed $1,000 per annum. If the board of commissioners fails to fix the salaries as provided in this section, the salary of each newly elected officer shall be the same as that of his predecessor.

Section 31. KRS 89.480 is amended to read:

(1) In cities of the second class [the mayor shall receive an annual salary of not less than $1,800 and not more than $3,000, and] each commissioner shall receive an annual salary of not less than $1,500 and not more than $2,500, to be fixed by the city legislative body.

(2) In cities of the third and fourth classes [the mayor shall receive an annual salary of not more than $750, and] each commissioner shall receive an annual salary of not more than $500.

(3) In cities of the second, third and fourth classes the board of commissioners may reduce the annual salary of the [mayor or the] commissioners to an amount not less than one dollar.

Section 32. KRS 199.810 is amended to read:

(1) There *is* [shall be] established in the state government a Department of Child Welfare, a statutory [administrative] department within the meaning of *KRS* Chapter 12 [of the Kentucky Revised Statutes], the executive head of which shall be a Commissioner of Child Welfare.

(2) The Commissioner of Child Welfare shall be appointed by the Governor as provided in KRS 12.040 for heads of statutory [administrative] departments [and shall receive an annual salary of $11,000].

Section 33. KRS 241.015 is amended to read:

There is created a Department of Alcoholic Beverage Control, which shall constitute a statutory administrative department of the state government within the meaning of *KRS* Chapter 12 [of the Kentucky Revised Statutes]. The department [shall] consist*s* of the Commissioner of Alcoholic Beverage Control and the Alcoholic Beverage Control Board. The commissioner shall head the department, shall be its executive officer, and shall have charge of the administration of the department and perform all functions of the department not specifically assigned to the board. The Governor shall appoint as commissioner a person with administrative experience in the field of alcoholic beverage control. The commissioner shall be appointed for a term of four years [and shall receive a salary of five thousand dollars per annum].

Section 34. KRS 241.030 is amended to read:

The Alcoholic Beverage Control Board shall consist of the Commissioner of Alcoholic Beverage Control and two persons appointed by the Governor, who shall be persons with administrative experience in the field of alcoholic beverage control and who shall serve for terms of four years each. One of such persons shall serve as Administrator of the Distilled Spirits Unit, and the other shall serve as Administrator of the Malt Beverage Unit, as indicated by the Governor in making the appointments. The commissioner shall be chairman of the board. [The two administrators shall each receive a salary of four thousand five hundred dollars per annum.]

Section 35. KRS 260.020 is amended to read:

(1) The Division of Markets in the Department of Agriculture shall be under the supervision of the commissioner, and shall consist of personnel determined and appointed by the commissioner.

(2) The Division of Markets shall be headed by a director appointed by the commissioner, subject to the approval of the Governor. [The Director of the Division of Markets shall receive a salary of not more than $5,000 annually.]

Section 36. KRS 336.020 is amended to read:

[(1)] The department shall be headed by a Commissioner of Labor, and shall be divided for administrative purposes into such divisions as the commissioner, with the approval of the Governor, determines.

[(2) The Commissioner of Labor shall receive a salary of five thousand dollars per annum.]

Section 37. KRS 439.080 is amended to read:

(1) The city legislative body of a city of the second class may by ordinance provide that a member of the regular police force of the city, to be designated by the police court, be assigned to perform, without additional pay, the duties described in subsection (3).

(2) If a city of the second class does not comply with subsection (1), the police court of the city shall appoint a probation officer, whose salary shall be fixed by the police court. [at not less than $1,200 nor more than $1,800 per year.] The salary shall be paid out of the fines and forfeitures imposed and collected by the police court, and no part of his salary shall be otherwise paid by the city.

(3) The probation officer shall act in cooperation with the police department of the city, see that probated offenders do not violate the law during their term of probation, check the circumstances of the case to be probated and the character of the defendant and do any other duty properly requested by the court. The probation officer shall have all powers now conferred upon police officers.

Section 38. KRS 441.320 is amended to read:

In cities of the second class operating under the councilmanic form of government, the voters shall elect a city jailer, who *is* [shall be] not less than twenty-five years of age and a qualified voter in the city, *if* [provided] the city maintains a jail. He shall hold his office for a term of four years, *and* [.He] shall perform such duties as the general council prescribes by ordinance. [His compensation for his duties shall be not less than fifteen hundred dollars nor more than twenty-five hundred dollars per annum.] He may appoint a deputy, who shall perform such duties as the general council prescribes by ordinance [,]. [and whose compensation shall be not less than nine hundred dollars nor more than twelve hundred dollars per annum.] All the property, machinery and equipment of the city jail shall be under the immediate control of the city jailer.

Section 39. KRS 64.560, 64.670, 64.680, 64.700, 69.115, 409.130 and Kentucky Acts 1962, Section 11, Article I, Chapter 106, Chapter 184 and Section 13, Chapter 210 are hereby repealed.

ARTICLE XVIII

Section 1. KRS 7.125 is amended to read:

The Reviser of Statutes is directed to publish in [the next edition of] the Kentucky Revised Statutes the *Rules of Civil Procedure and the Rules of Criminal Procedure.* [Code of Criminal Practice; and to publish in subsequent editions all parts of the new system of criminal practice enacted as a result of the study directed by KRS 447.310.]

Section 2. KRS 25.750 is amended to read:

The justices in each county having a population of over 250,000 shall meet and adopt appropriate and uniform rules of court, not inconsistent with the *Rules of Civil Procedure and the Rule of Criminal Procedure* [Civil and Criminal Codes of Practice], for the regulation *of justices' courts within the county.* [; and,] Upon approval of a majority of the justices in the county, each justice shall immediately cause an order to be entered upon the records of his court, publishing the rules at length and adopting them as the rules of his court. The rules may be amended at any time by a majority of the justices of the county, at a joint meeting held for that purpose upon notice signed by one or more of the justices.

Section 3. KRS 26.300 is amended to read:

(1) In cities of the first class, the practice in the police court in cases arising under city ordinances shall be determined by ordinance, and the practice in cases growing out of the violation of statutes shall be the same as in justices' courts.

(2) In cities of the second, third and fourth classes, the practice in the police court shall be governed by the *Rules of Civil Procedure* [Civil Code] and the Rules of Criminal Procedure.

(3) In cities of the fifth and sixth classes, the practice in the police courts shall be the same as in justices' courts.

Section 4. KRS 39.412 is amended to read:

(1) The owner of property seized, taken or condemned may appeal from the award of the Board of Claims to the circuit court of the county wherein he resides if the amount in controversy, exclusive of interest and costs, is over twenty-five dollars or to the quarterly court of the county wherein he resides in other cases. *CR 72.01 to 72.06* [Sections 724 through 731 of the Civil Code of Practice] shall, so far as applicable, govern the procedure on appeal but the action shall be tried according to the practice prescribed for the trial of jury cases.

(2) An appeal from the judgment may be taken to the Court of Appeals as in other cases subject to the provisions of KRS 21.060, 21.070 and 21.080.

Section 5. KRS 44.150 is amended to read:

Appeals may be taken to the Court of Appeals under the same conditions and under the same practice as appeals are taken from judgments in civil cases rendered by the circuit court, but no motion for a new trial or bill of exceptions *is* [shall be] necessary. The Court of Appeals shall review only the matters subject to review by the circuit court and also errors of law arising in the circuit court and made reviewable by the *Rules of Civil Procedure* [Civil Code of Practice], where not in conflict with KRS 44.070 to 44.160.

Section 6. KRS 70.085 is repealed and re-enacted to read:

The return on a summons by an officer must state when and how the summons was served, and, if erroneous, may, with leave of the court, be amended according to the truth. An officer who makes *an* [such] erroneous return may be fined by the court not exceeding ten dollars, and *is* [shall be] liable to the person aggrieved for any injury caused by the error.

Section 7. KRS 199.600 is amended to read:

(1) In a proceeding involving a neglected or abandoned child, as defined in KRS 199.011, the circuit court may terminate all parental rights of the parents of such child, and declare the child to be a ward of the state, and may vest the care, custody and control of the child in the department, or in any licensed child-caring or child-placing agency or institution, if facilities are available to receive the child, if it is pleaded and proved in a private hearing that the parents have abandoned or deserted the child, or have substantially and continuously or repeatedly refused, or being able have neglected, to give the child parental care and protection, or that the child is neglected and that the parents have been adjudged mentally incompetent and such judgment has been in effect for not less than one year.

(2) If the circumstances described in subsection (1) of this section exist with respect to only one of the two legitimate parents, the parental rights of that parent may be terminated, in which case the child shall not be declared to be a ward of the state, unless with the voluntary consent of the other parent.

(3) In an action to terminate parental rights under this section the parents, if the child is legitimate, or the mother if the child is born out of wedlock, must be personally summoned; or where personal service cannot be made, must be constructively summoned as provided in the *Rules of Civil Procedure.* [Civil Code of Practice.]

(4) *If* [In the event] the infant is made party defendant to the action, the boarding home or foster parent shall not be served with summons notwithstanding provisions of CR 4.04(4).

(5) The court may be convened at any time wherever the judge thereof *is* [may be] found within his district, irrespective of the regular term, for the purpose of terminating parental rights under this section, and shall complete the same as soon as possible.

(6) Proceedings under this section may be instituted upon petition by the department, any probation officer, any state or local law enforcement officer, any county or commonwealth's attorney or a natural parent.

Section 8. KRS 281.600 is amended to read:

The Department of Motor Transportation shall exercise all administrative functions of the state in relation to motor transportation as defined in this chapter, and shall apply, as far as practicable, the administrative and judicial interpretations of the Federal Motor Carrier Act. It *may* [shall have the right to] regulate motor carriers as provided in this chapter, and to that end may establish reasonable requirements with respect to continuous and adequate service of transportation, systems of accounts, records and reports, preservation of records and safety of operation and equipment. It may issue subpoenas, subpoenas duces tecum and orders of personal attendance for the attendance of witnesses, and production of pertinent records, for any proceeding before it, and permit the taking of depositions, all in accord with the *Rules of Civil Procedure* [Civil Code of Practice], and it *may* [shall have the power to] make [such] rules and regulations [as it may] deem*s* necessary to carry out the provisions of this chapter. The department *may* [shall have the authority to] promulgate regulations regarding safety requirements for motor vehicles and the method of operation, and any motor vehicle operating contrary to such safety rules and regulations shall be in violation of this section.

Section 9. KRS 383.030 is amended to read:

(1) *If* [When] any person is liable for rent due not later than one year thereafter, whether payable in money or some other thing, the person to whom the rent is owing or his agent or attorney may file an affidavit before a justice of the peace, police judge or a judge of the quarterly court of the county in which the tenement lies, stating that there are reasonable grounds for belief, and that he does believe, that unless an attachment is issued he will lose his rent. That officer shall then issue an attachment for the rent against the personal property of the person liable for the rent, to any county the person suing out the attachment may desire. But [,] the attachment shall not issue until the plaintiff has given bond, with good surety, to indemnify the defendant should it appear that the attachment has been wrongfully obtained.

(2) Attachments for rent issued for a sum of fifty dollars or less, exclusive of interest and costs, shall be returned before the officer issuing the attachment. Those for a sum exceeding fifty dollars and not exceeding two hundred shall, at the option of the party attaching, be returned before either the quarterly or circuit court of the county whence it issued; and, if over two hundred dollars, to the circuit court; and in either case the proceedings thereon shall be the same as on other attachments according to *KRS Chapter 425 and the Rules of Civil Procedure* [the Civil Code].

(3) The defendant may deny the tenancy or his liability to pay rent, as stated in the affidavit. He may repossess himself of the prop-

erty by executing bond in a manner similar to that prescribed in *KRS Chapter 425* [the Civil Code], subject to similar proceedings if forfeited, as is prescribed by *KRS Chapter 425 and the Rules of Civil Procedure* [the Civil Code] on such a bond.

Section 10. KRS 383.080 is amended to read:

(1) If, after the commencement of any tenancy, a lien is created on the property upon the leased premises liable for rent, the party making or acquiring the lien may remove the property from the premises only after paying to the person entitled to the rent so much as *is* in arrears, and securing to him so much as to become due; what is so paid and secured not being more altogether than rent for the period of time for which the landlord has a lien under KRS 383.070.

(2) If the property is taken under execution or attachment, the officer shall, out of the proceeds of the property found on that leased premises and levied on or taken by him, make payment of the rent payable in money, in an amount equal to that for which the landlord has a lien under KRS 383.070, unless a bond of indemnity *is* [be] executed. The plaintiff in the execution or attachment may compel a sale of the property under his process by executing to the officer a bond of indemnity such as provided for in *KRS Chapter 425* [the Civil Code], and the remedy provided in *KRS Chapter 425 and the Rules of Civil Procedure* [it], on a bond of indemnity, shall operate in favor of the person to whom the rent is payable or other claimant of the property on the bond.

(3) All valid liens upon the personal property of a lessee, assignee, or under-tenant, created before the property is carried upon the leased premises, shall prevail against a distress warrant or attachment for rent.

Section 11. KRS 416.030 is amended to read:

Upon the application of the company, and upon the filing of any necessary affidavits, the clerk of the court shall issue process against the owner to show cause why the report should not be confirmed, and shall make such orders as to nonresidents and persons under disability as are required by the *Rules of Civil Procedure* [Civil Code] in actions against them in the circuit court.

Section 12. KRS 416.120 is amended to read:

(1) Proceedings for condemnation by the director of parks and recreation of cities of the first class as authorized by KRS 97.257 shall be in the circuit court, conducted in the name of the city by the director of law of *the* [such] city, and shall be commenced by petition and summons, and carried on in a manner similar to actions at law, except that in proceedings against non-resident, absent and unknown defendants the city *is* [shall] not [be] required to post bond as pro-

vided under *the Rules of Civil Procedure* [section 410 of the Civil Code]. In any such actions the owners of distinct parts of any one general tract sought to be condemned may be included in one proceeding, or any one or more of *the* [such] owners holding contiguous properties may be proceeded against in a separate action.

(2) Trial of such actions shall be by a jury summoned under order of court and consisting of twelve freeholders of *the* [such] city or county, who shall be sworn to ascertain and determine fairly and impartially by their verdict the amount of compensation each and every owner *is* [shall be] entitled to receive for his or her land or property described in the petition and sought to be condemned. The city *has* [shall have] the burden of proving the value of the property to be condemned; and in assessing damages to the owner of the property it shall be competent for the jury to consider the benefits and advantages, if any, that to such owner will result from the proposed improvements, and to set off the same against such damages as the owner may have other than the value of the property actually condemned and taken by the city. Nonresidents, absent defendants or unknown owners of property shall be proceeded against by warning order as in other civil actions. Any condemnation proceeding shall have precedence on the docket of the court and may be assigned for trial as soon as the parties are before the court.

(3) Upon return of the verdict of the jury, the court shall enter judgment vesting in *the* [such] city the title to the property described and condemned, the [said] judgment to take effect upon the payment into the court by *the* [said] city of the amount of money named in the verdict, and all taxed costs of the proceedings, and *the* [said] city shall have sixty days within which to make [said] compensation and payment. [; provided, however,] If payment *is* [be] not made within such time, the [said] condemnation shall be deemed and treated as abandoned, and the verdict and judgment set aside, and the proceedings dismissed at the cost of *the* [said] city, but without prejudice to any subsequent proceedings.

[(2) No proceedings now pending and undetermined for the condemnation of property for park purposes shall be affected by this section, but the same shall be governed by existing laws.]

Section 13. KRS 416.250 is amended to read:

Upon the application of the petitioner, and the filing of any necessary affidavits, the clerk of the court shall issue process against the owner to show cause why the petitioner does not have the right to condemn the lands, or the use and occupation thereof, and material sought to be condemned. The summons shall contain a statement of the amount of the award. The clerk shall make such orders as to nonresidents and persons under disability as are required by the *Rules* *of Civil Procedure* [Civil Code] in actions against them in the circuit court.

Section 14. KRS 416.310 is amended to read:

All proceedings under KRS 416.230 to 416.300 *are* [shall be] governed by the *Rules of Civil Procedure* [provisions of the Civil Code of Practice] except where the provisions of KRS 416.230 to 416.300 specifically or by necessary implication provide otherwise.

Section 15. KRS 426.260 is amended to read:

(1) The purchaser of land sold under execution and not redeemed, after obtaining a conveyance therefor may, upon ten days' notice in writing to the defendant in the execution, whose lands have been sold, enter a motion on the docket in the circuit court of the county where the land is situated for a judgment for the possession of the land. If, upon the hearing of the motion, the court is of the opinion that the purchaser is entitled to the possession, it shall render a judgment accordingly and award the writ of possession, with costs. The proceedings on the motion shall be as provided in *KRS 418.005 to 418.015* [§§444 to 449 of the Civil Code of Practice].

(2) The notice referred to in subsection (1) of this section shall be in substance as follows:

AB to CD, notice:

You are hereby notified that I will, on the -------- day of --------------------, 19----, enter a motion on the docket of the ------------ circuit court for a judgment for the possession of certain lands situated in -------------- County, Kentucky, which lands are described as follows, viz.: (description), being the same lands bought by me at a sale duly held under execution which issued from the office of the clerk of ------------ court in favor of ------------, plaintiff vs ------------, defendant. (See execution book ----------, execution No. --------) ------------, AB.

Section 16. KRS 432.070 is amended to read:

In any prosecution under KRS 432.020 to 432.060, no witness may claim privilege or exemption on the ground that his testimony may incriminate him, but may be required to testify for the Commonwealth. However, no testimony given by him shall be used against him in any prosecution except for perjury, and he shall be discharged from any liability for any violation of KRS 432.020 to 432.060 necessarily disclosed in his testimony. The provisions of *RCr 9.62 do* [section 241 of the Criminal Code shall] not apply in any such prosecution.

Section 17. KRS 447.151 is amended to read:

The Court of Appeals, by rules promulgated from time to time, shall regulate pleading, practice, procedure and the forms thereof in all civil *and criminal* proceedings in all courts of the state, for the purpose of simplifying the same and of promoting the speedy determination of litigation upon its merits. *The* [Such] rules shall not abridge, enlarge or modify the substantive rights of any litigant. [The Court of Appeals shall promulgate the initial rules pursuant to KRS 447.151 to 447.157 on July 1, 1953, and such rules shall become effective as of that date.]

Section 18. KRS 447.152 is amended to read:

(1) Before [the initial rules, or] any amendments or supplemental rules *are* [may be] adopted under [the provisions of] KRS 447.151 to 447.157, copies of the proposed [rule or] rules shall be distributed to the Bench and Bar of the state for their consideration and suggestions, and the court shall give due consideration to *the* [such] suggestions [as may be] submitted to the court. Any suggestions concerning rules proposed by the Court of Appeals, and any suggestions [that may be] advanced by interested persons, from time to time, for amendments to existing rules or for new or supplemental rules, shall be submitted to the court through the Judicial Council. The council shall receive and consider all [such] suggestions and shall report the same to the court, with the recommendations of the council thereon.

(2) The court shall conduct a public hearing, to be held not later than three months from the date of distribution of any proposed rule [or rules,] of which hearing suitable publicity shall be given in advance. At *the* [such] hearing the court shall consider any proposal submitted in writing, in advance, by the Kentucky State Bar Association, the Judicial Conference, or any substantial number of members of the Kentucky State Bar Association joining in the same suggestion. [The initial rules and]

(3) Any amendment or supplemental rules shall be printed and mailed, at least ninety days before the effective date, to all members of the State Bar of Kentucky, and [such] rules may also be distributed at *the* [such] times and to [such] other persons as the court [may] direct*s*.

Section 19. KRS 447.153 is amended to read:

[The Civil Code Committee, created by Chapter 151, Acts of 1950, shall continue as constituted until July 1, 1953. Thereafter], *T*he Court of Appeals shall appoint an advisory committee composed of representative judges and attorneys. Such committees shall perform advisory duties in connection with the promulgation of [the] rules and amendments thereto as [may be] directed by the Court of Appeals, and the advisory committee shall be considered a part of the Judicial Council for budgetary purposes.

Section 20. KRS 447.154 is amended to read:

No Act repealing or modifying [any section of the Civil Code of procedure or] any statute shall be construed by implication to limit the right of the court to promulgate rules from time to time or to supersede, modify or amend any rule so promulgated. Nor shall KRS 447.151 to 447.157 be construed to limit in any manner the power of the Court of Appeals to make rules governing practice and procedure in the Court of Appeals.

Section 21. KRS 447.157 is amended to read:

The printing and distribution of any rules proposed or promulgated under KRS 447.151 to 447.157 shall be provided for [by the Civil Code Committee and the Statute Revision Commission jointly, and after the Civil Code Committee ceases to exist,] by the *Legislative Research Commission* [Statute Revision Commission alone,] with the advice and under the direction of the Court of Appeals. Any such printing shall be governed by KRS *7.120* [447.090].

Section 22. KRS 447.010, 447.020, 447.150, 447.200 and 447.310 are repealed.

ARTICLE XIX

Section 1. KRS 25.195 is amended to read:

Not less than ten days prior to the date of hearing, the clerk shall cause notice of the filing of a settlement to be published *pursuant to KRS Ch. 424* [in a newspaper of general circulation in the county] stating the name of the fiduciary, the trust, the nature of the account and the date of hearing with a statement that exceptions must be filed before that time; [.] [Provided, however] *except* that with the court's approval the fiduciary may, in lieu of such publication, send a written notice thereof to all unpaid creditors and distributees, which notice shall be mailed at least ten days before date of hearing. The fiduciary in such cases shall file his affidavit that such notice has been mailed. The actual cost of *the* [such] notice, or the proportionate part thereof, if more than one settlement, shall be taxed as costs.

Section 2. KRS 40.200 is amended to read:

All bonds issued hereunder shall be dated July 1, 1960, and shall mature on or prior to thirty years from such date as the State Property and Buildings Commission may provide in each resolution authorizing the issuance and sale of such bonds. The State Property and Buildings Commission shall in each such Resolution determine other details, including whether the bonds shall be of term or serial maturities, and the amount which shall mature on any serial maturity date; denominations; whether the bonds, or any of them, shall be subject to redemption prior to stated maturities and upon what terms; place or places of payment of principal and interest, which may be within the Commonwealth or outside thereof; whether the bonds shall have semi-annual interest coupons annexed; be registered or registerable as to principal or interest or both; and any other details not contrary to law or inconsistent with this chapter which in the discretion of the said commission may appear wise and expedient. The commission shall fix and establish the interest rate or rates for each issue of bonds, and interest shall be payable semi-annually. Each sale shall be [publicly] advertised *pursuant to KRS Ch. 424* [at least ten days in advance of the date established for the opening of purchase bids by at least one publication in a financial newspaper or journal published in the city and state of New York and at least one publication in a daily newspaper of bona fide general circulation throughout the Commonwealth].

Section 3. KRS 41.190 is amended to read:

The State Treasurer, with the approval of the Commissioner of Finance, *may* [shall have the right to] call interest-bearing warrants for payment at any time he has sufficient funds on hand to pay *the* [said] warrants. The call of the Treasurer shall be published by him *pursuant to KRS Ch. 424* [for ten consecutive days in a daily newspaper published in this state,] and no warrant so called in shall bear interest after the call date specified in the publication. The Treasurer may pay warrants due according to the date of issue, if presented without awaiting such publication.

Section 4. KRS 57.070 is amended to read:

(1) The Department of Finance shall, between the first day of August, 1950, and the first day of November, 1950, and within the same period every fourth year thereafter give notice *pursuant to KRS Ch. 424* [which notice shall appear once during each week for five consecutive weeks in at least one newspaper of general circulation in each of the cities of Frankfort, Louisville, Lexington, Ashland and Paducah, Kentucky, and Cincinnati, Ohio,] that sealed proposals will be received at the office of the Commissioner of Finance, for the first two classes of public printing and binding in separate contracts for the term of four years beginning with the first Monday in January, next ensuing, at a certain rate not to exceed the rates specified by law.

(2) The Department of Finance shall contract for the purchase of paper, stationery and supplies of the third class to meet all needs therefor for any period not less than three months nor more than one year, and shall so state in advertising for bids.

Section 5. KRS 66.040 is amended to read:

Before the bonds authorized by KRS 66.010 may be issued, the fiscal court shall, by order entered of record, suggest an appropriation, and designate specifically the object, purpose and amount thereof, and shall order that the appropriation suggested by the court be submitted to the voters of the county on the day of the next general election. If the next general election occurs within less than sixty days, or if an election for the removal of the county seat is to be held on that day, the election on the appropriation shall be postponed until the following general election. The fiscal court, by order entered of record, shall direct the sheriff of the county to advertise the election and the object thereof *by publication pursuant to KRS Ch. 424* [for at least thirty days next before the day of the election, in the newspaper published in the county having the largest circulation therein, and if none is published in the county, then by printed handbills posted at the county seat and at three of the most public places in each precinct]. The election shall be held under the general election laws. Unless two-thirds of the votes on the question are in favor of the appropriation the bonds shall not be issued.

Section 6. KRS 66.050 is amended to read:

(1) If, in any year, the legislative body of a city of the first or second class deems it necessary to incur any indebtedness that cannot be paid without exceeding the income and revenue provided for the city for that year, it shall, by ordinance, order an election by the voters of the city to determine whether the indebtedness shall be incurred and bonds issued therefor. The ordinance shall specify the amount of the indebtedness proposed to be incurred, the purpose, and the amount of money necessary to be raised annually by taxation for an interest and sinking fund. The ordinance shall be published *pursuant to KRS Ch. 424* [as provided in subsection (3) of this section]. The city shall file a certified copy of the ordinance with the county clerk of the county in which the city is located, at least thirty days prior to the next regular election, and thereupon the county clerk shall cause the question of incurring the indebtedness and issuing bonds to be printed upon the ballots to be used in the city precincts. The election shall be held under the general election laws.

(2) If two-thirds of the votes cast on the question are in favor of incurring the indebtedness, the city legislative body may incur the indebtedness and issue bonds of the city, and shall by ordinance provide for the mode of creating and paying the indebtedness. The ordinance shall provide for the levy and collection of an annual tax upon all taxable property within the city, sufficient to pay the interest on the indebtedness and create a sinking fund for the payment of the principal within a period of not more than forty years from the time of incurring the indebtedness. The annual tax shall be levied and collected at the same time as other taxes, and shall be in addition to all other taxes. The proceeds of the tax, when collected, shall be kept in the city treasury as a separate fund, to be inviolably appropriated to the payment of the principal and interest of the indebtedness.

[(3) In cities of the first class, the ordinance calling the election shall be advertised for the two weeks next preceding the election in a newspaper of daily circulation in the city. In cities of the second class, the ordinance shall be advertised for the two weeks next preceding the election by publishing in the official newspaper of the city, or by posting copies at three or more public places in the city, if there is no official newspaper.]

Section 7. KRS 66.070 is amended to read:

(1) If, in any year, the legislative body of any city of the fourth, fifth, or sixth class deems it necessary to incur any indebtedness that cannot be paid without exceeding the income and revenue provided for the city for that year, it shall give notice of an election by the voters of the city to determine whether the indebtedness shall be incurred. The notice shall specify the amount of the indebtedness proposed to be incurred, the purpose, and the amount of money necessary to be raised annually by taxation for an interest and sinking fund. The notice shall be published *pursuant to KRS Ch. 424* [for at least two weeks in some newspaper published in, or of general circulation in, the city, or by posting notices at three or more places in the city].

(2) If two-thirds of the votes cast on the question are in favor of incurring the indebtedness, the city legislative body shall by ordinance provide for the mode of creating and paying the indebtedness. The ordinance shall provide for the levy and collection of an annual tax upon all taxable property within the city, sufficient to pay the interest on the indebtedness and create a sinking fund for the payment of the principal within a period of not more than forty years from the time of incurring the indebtedness. The annual tax shall be levied at the same time as other taxes, and shall be in addition to all other taxes. The proceeds of the tax, when collected, shall be kept in the city treasury as a separate fund, to be inviolably appropriated to the payment of the principal and interest of the indebtedness.

Section 8. KRS 66.100 is amended to read:

Before calling in any bonds issued on account of any donation or subscription to the capital stock of a railroad company and issuing new bonds to be exchanged therefor under KRS 66.090, and before issuing any new bonds under KRS 66.090 to be sold for the purpose of paying the principal or interest of bonds issued for railroad purposes, the fiscal court shall give notice of its proposed action by publication *pursuant to KRS Ch. 424* [in four consecutive weekly issues of the newspaper published in the county having the greatest circulation in the county] and by printed posters posted at the most public place in each voting precinct of the county for at least thirty days before the action is proposed to be taken. [If there is no newspaper published in the county the fiscal court shall cause printed posters, announcing the proposed action and the date thereof, to be posted at the five most public places in each voting precinct in the county for thirty days next before the action is proposed to be taken.] If, on or before the day the action is proposed to be taken a petition signed by three hundred voters of the county is filed with the county judge, requesting that the question as to whether the fiscal court shall take the proposed action be submitted to the voters of the county, the fiscal court shall not take such action at the time proposed, nor until a majority of the voters of the county voting at an election on the question have voted in favor of the proposed action. On receipt of the petition, the county judge shall file it, and enter an order upon the order book of the county directing that the question be submitted to the voters of the county at a general election held at a time fixed by the order, but not earlier than thirty days after the date of the order. The election shall be conducted under the general election laws. If a majority of the votes cast on the question is in favor of the proposed action, the fiscal court shall, as soon as practicable thereafter, take the proposed action.

Section 9. KRS 66.120 is amended to read:

(1) If any district consisting of a justice's district or other part or parts of a county other than an incorporated city has, before June 16, 1902, issued bonds which are outstanding and have become matured or subject to call, the fiscal court of the county may issue new bonds of and for account of the district to an amount not exceeding the amount of the outstanding bonds and interest thereon to the date of the new issue. The bonds shall be issued and sold or exchanged in the manner and form prescribed in KRS 66.090, except that the interest may be made payable annually.

(2) Before issuing new bonds under this section for the purpose of taking up old bonds issued on account of any donation to, or subscription to the capital stock of, a railroad company, the fiscal court shall follow the procedure prescribed in KRS 66.100, with the following exceptions:

[(a) If there is a newspaper published in the county, printed notices need not be posted.]

[(b) When notices are posted they shall be posted only in the voting precincts in the district.]

(a) [(c)] An election shall be ordered on petition of fifty voters of the district.

(b) [(d)] The question as to whether the proposed action shall be taken shall be submitted only to the voters of the district, and the proposed action shall be taken only if a majority of the votes cast on the question by the voters of the district is in favor of the proposed action.

Section 10. KRS 66.240 is amended to read:

(1) Before issuing any refunding bonds under KRS 66.230, the city legislative body shall publish notice of its intention to refund the bonds and extend the assessments. The notice shall be published *pursuant to KRS Ch. 424.* [in the newspaper with the largest general bona fide circulation published in the city or in the county in which the city is located for at least two insertions, the last of which shall be not less than thirty days prior to the proposed date of issuing the refunding bonds. If no newspaper is published in the city or in the county in which the city is located, notice may be given by posting printed notices in not less than fifteen public places in the city, including one at the city hall and one at the county courthouse.] The notice shall designate the amount of bonds to be issued, the proposed date, and the names and addresses of the property owners to be affected thereby.

(2) If, within thirty days after [the last] publication of the notice, a majority in number of the owners of property affected thereby file with the city legislative body written objections to the proposed refunding, the city legislative body shall enter an order of record finding the fact that such objections have been filed, and shall thereupon abandon the refunding.

Section 11. KRS 66.310 is amended to read:

(1) No county may contract an indebtedness which, together all other indebtedness of the county, is in excess of one-half of one percent of the value of the taxable property therein, as determined by the next preceding complete assessment, and issue valid bonds therefor, without having first secured the written approval of the State Local Finance Officer. Any other bonds to be issued or reissued by any county may be submitted for approval as hereinafter provided. When the fiscal court of any county has petitioned the State Local Finance Officer under KRS 66.320 for assistance in formulating a plan for reorganizing its debt structure, or has received the approval of any issue or reissue of county bonds voluntarily as provided in this section, all bonds thereafter issued or reissued by the county must be approved as provided in this section.

(2) The State Local Finance Officer shall hold a hearing for the purpose of determining whether any issue or reissue of bonds submitted to him for approval should be approved or disapproved. The State Local Finance Officer shall withhold his approval if he believes the financial condition and prospects of the county do not warrant a reasonable expectation that interest and principal maturities can be met when due without seriously restricting other expenditures of the county; if, in his discretion, the issue or reissue of bonds will not serve the best interests of both the county issuing same and a majority of its creditors; or if it appears that the bonds or the issuance thereof

will be invalid. If the State Local Finance Officer is petitioned by any county to approve the issuance of bonds to refund outstanding county bonds, and if the State Local Finance Officer is unable to find that the bonds sought to be refunded were in their entirety validly issued, he shall nevertheless find that bonds may be issued validly for the purpose of refunding *the* [said] bonds, in equivalent or lesser par principal amount, provided that the interest rate to be borne by *the* [said] refunding bonds shall be such as to make possible their liquidation within their life at no greater average annual cost to the county than would be required to liquidate, within the same number of years, the portion of the outstanding indebtedness found to be valid at the interest rate borne by it before refunding.

(3) The State Local Finance Officer shall give at least two weeks' notice of the hearing hereinabove required to the county judge of the county proposing to issue such bonds, and the county judge shall cause a copy of said notice to be *published pursuant to KRS Ch. 424.* [posted at a conspicuous place near the front door of the courthouse at least ten days, exclusive of Sundays and holidays, prior to the date set for the hearing.] In the case of bonds proposed to be issued for the purpose of refunding currently outstanding bonds, the State Local Finance Officer shall in addition cause a notice of *the* [said] hearing to be published *pursuant to KRS Ch. 424* [at least ten days, exclusive of Sundays and holidays, prior to the date set for the hearing in a financial newspaper or periodical having general circulation among bondholders and bond dealers] and *the* [said] notice shall be paid for by the Department of Finance out of its appropriation. Any party having a material interest shall have an opportunity to be heard and to present evidence. The State Local Finance Officer shall make a record of the proceedings of such hearing and shall prepare a written decision approving or disapproving the issuance of the proposed bonds. Any interested party or taxpayer may within fifteen days, exclusive of Sundays and holidays, appeal to the commission from the decision of the State Local Finance Officer. The commission, upon the basis of the record prepared by the State Local Finance Officer, and of any additional evidence which may be introduced, shall pass upon the decision of the State Local Finance Officer.

(4) Within thirty days, exclusive of Sundays and holidays, after a decision by the commission any interested party or taxpayer of the county, upon filing bond for costs, may appeal to the Franklin circuit court or, in the case only of bonds proposed to be issued for the purpose of funding floating indebtedness, to either the Franklin circuit court or to the circuit court of the county proposing to issue said bonds. Appeal shall be taken by filing with the clerk of the court a copy of the record of the proceedings and decision of the State Local Finance Officer and the decision of the commission. The commission, the fiscal court, the taxpayers of the county, and, in the case of fund-

ing or refunding bonds, the creditors whose claims or bonds are proposed to be funded or refunded, shall be made parties to the appeal. Summons shall be served and class representatives designated as provided in the Civil *Rules of procedure* [Code of Practice]. To facilitate adjudication the State Local Finance Officer is hereby required, on payment of a reasonable fee therefor to be fixed by the State Local Finance Officer, to supply a certified copy of such records to any party. The case shall be advanced on the docket of the circuit court and shall be heard and decided as in the case of a declaratory judgment, except that all findings of fact of the State Local Finance Officer and of the commission shall be final if supported by any substantial evidence, provided, however, that in the case only where the question of the validity of the indebtedness proposed to be funded or refunded is in issue, additional evidence relating to the validity of such indebtedness may be presented.

(5) An appeal may be taken from the circuit court to the Court of Appeals in the manner provided in the Rules of Civil Procedure. The appeal may be advanced for immediate hearing and submission.

(6) In case no appeal is taken from the approval of a bond issue by the State Local Finance Officer or the commission as provided in this section, said decision as to the legality of such bonds shall be res adjudicata in any subsequent case or cases raising such question of legality. When bonds are approved as provided in this section, they shall not be required to be approved as provided in KRS 66.210 and 66.220.

(7) Record of the approval of bonds as provided in this section shall be made in the minutes of the next meeting of the fiscal court of the county issuing the bonds so approved, and copies of all decisions of the State Local Finance Officer and of the commission shall be filed with the Secretary of State.

Section 12. KRS 66.330 is amended to read:

(1) The order of the fiscal court of any county providing for the issue or reissue and sale of any bonds shall specify: (a) the maximum amount to be issued, (b) the denominations in which the bonds shall be issued, (c) the maximum interest rate to be paid on the bonds, (d) the term of the bonds (if serial, a fully detailed principal maturity schedule shall be shown), and such other information as the commission may by regulation require. A certified copy of such order shall be submitted to the State Local Finance Officer, who shall expedite approval or disapproval if requested or if required by KRS 66.310.

(2) All county bonds offered for sale shall be advertised for sealed competitive bids *by publication pursuant to KRS Ch. 424* [at least once during each of two consecutive weeks in a newspaper of general bona fide circulation in Kentucky and in the county offering

the bonds for sale, and at least once in a periodical having general circulation among bond buyers,] and shall be sold by the fiscal court to the bidder at such sale offering the price and interest rate most advantageous to the county. Nothing herein shall prohibit a county from exchanging reissues of bonds by private arrangements with the bondholders, subject to the approval of the State Local Finance Officer, but such bonds received at exchange must be taken in at par value or less.

(3) The costs of advertising, printing, and any other necessary expenses incident to the issue and sale of county bonds, excepting and excluding those incurred by the State Local Finance Officer or any member of his staff and the commission, shall be borne by the county issuing the bonds, and may be deducted from any premium received on the sale of the bonds.

Section 13. KRS 67.020 is amended to read:

(1) When a petition, signed in person by a number of legal voters of the county equal to twenty-five percent of the number of votes cast in the county at the last general election for county officers, is filed at a regular term of the county court, asking for an election on the proposition of removing the county seat, the county court, by order entered of record, shall call an election on that proposition to be held on the day of the next general election for county officers that does not occur within less than ninety days from the filing of the petition. No order calling such an election shall be legal unless the place to which the county seat is proposed to be removed is specified in the petition and in the order calling the election.

(2) The county court, by order entered of record, shall direct the sheriff to advertise the election and its object *by publication pursuant to KRS Ch. 424* [, for at least sixty days next before the day thereof, in all the newspapers published in the county or, if none is published there, by printed handbills posted at the courthouse door and at not less than four of the most public places in each precinct].

(3) If two-thirds of all legal voters who vote at the election vote for removal, the fiscal court shall provide for the removal of the county seat.

(4) Elections under this section shall not be held oftener than once every ten years in the same county.

Section 14. KRS 67.030 is amended to read:

(1) When a petition, describing a particular territory of a county and signed in person by not less than a majority of the voters living in that territory, is filed at a regular term of the county court, asking for an election on the proposition of dividing the county or striking the described territory from the county and attaching it to an adjoin-

ing county, the county court, by order entered of record, shall call an election on that proposition to be held on the day of any regular election held in the county for other than county officers that does not occur within less than ninety days from the filing of the petition. No order calling such an election shall be legal unless it contains a specific description of the territory proposed to be stricken or divided.

(2) The county court, by order entered of record, shall direct the sheriff to advertise the election and its object *by publication pursuant to KRS Ch. 424* [, for at least sixty days next before the day thereof, in one or more newspapers printed and published in the county, if there is any such newspaper,] and by printed handbills posted at the courthouse door and at not less than four places in each precinct.

(3) The proposition shall not be adopted unless a majority of all the legal voters of the county voting on the question vote in favor of it.

(4) Any portion stricken off and added to another county as a result of the election shall be bound for all costs expended.

Section 15. KRS 67.050 is amended to read:

(1) Any county may have a fiscal court consisting of the county judge and three commissioners elected from the county at large. To ascertain whether the county desires to have county commissioners, the county judge, upon an application by written petition signed by one hundred legal voters of the county, shall enter an order on his order book calling an election to submit to the legal voters of the county the following question: "Are you for or against having a fiscal court composed of three commissioners and the county judge of the county court?" The order shall be entered at the next regular term after the petition is filed, and shall direct the election to be held at the next regular election to be held in the county that does not occur within less than sixty days from the filing of the petition. The county clerk shall give to the sheriff or other officer appointed to hold the election a certified copy of the order within five days after the order is made, and the sheriff or other officer shall have the order published *pursuant to KRS Ch. 424* [in some weekly or daily newspaper published in the English language in the county for at least two consecutive weeks before the election], and *in addition shall* advertise it by printed handbills posted at one or more conspicuous places in each precinct in the county for the [same] length of time *that publication is required,* stating when the election will be held and the purpose thereof.

(2) All such elections shall be held under the general election laws. No such election shall be held in any county oftener than once in four years.

Section 16. KRS 67.220 is amended to read:

[It shall be the duty of] The county court of each county, by order of record, *shall* [to] direct the sheriff of that county to advertise *the* [said] election, and the object thereof *by publication pursuant to KRS Ch. 424* [, in the newspapers published in the county, and if none should be published therein, then by printed handbills posted up at not less than four of the most public places in each precinct and at the courthouse door].

Section 17. KRS 67.390 is amended to read:

The fiscal court of any county containing a city of the first class *may*, [shall have authority] by order or resolution, and after a public hearing advertised *by publication pursuant to KRS Ch. 424* [once each week for two consecutive weeks in a newspaper of general circulation in such county to] adopt, and modify, or amend from time to time, and [to] enforce as hereinafter provided, reasonable regulations governing the erection, construction, reconstruction, relocation, remodeling, alteration, repair and maintenance of buildings located, or to be located, within the unincorporated areas of such county, and also within the corporate limits of any city in such county not having such regulations; except that buildings for agricultural purposes located upon premises that are used solely for agricultural purposes *are* [shall be] exempt from such regulations.

Section 18. KRS 67.400 is amended to read:

If any city of the first class has in force and effect an ordinance governing the erection, construction, reconstruction, relocation, remodeling, alteration, repair and maintenance of buildings in such city, the fiscal court of such county may, by order or resolution, and after a public hearing advertised *by publication pursuant to KRS Ch. 424* [once a week for two consecutive weeks in a newspaper of general circulation], adopt the provisions of such ordinance, or so much thereof as the fiscal court deems necessary, for the area of the county outside the corporate limits of such city.

Section 19. KRS 68.080 is amended to read:

The fiscal court of each county that contains a city of the first class shall cause to be published *pursuant to KRS Ch. 424* in April, July, October and January of each year, [in one newspaper of general circulation in the county, and in any other additional form it may deem proper] a financial statement of the county covering the three months next preceding the statement. The statement shall include a list of the claims and amounts thereof allowed against the county during the preceding three months, and to whom allowed, with such other information as the fiscal court deems proper to have published.

Section 20. KRS 73.230 is amended to read:

Any person desiring to have his land processioned, or desiring to take depositions as allowed by KRS 73.220, may give ten-days' notice to any person interested, or his agent or attorney, or, if an infant, lunatic or idiot to his guardian or committee, of the time and place when and where the processioners will convene. If the party interested does not reside in the state, and has no known agent therein, notice shall be published *pursuant to KRS Ch. 424* [once a week for one month before the processioners convene in some newspaper published in the county] and *shall also be* posted for the same period *that publication is required* on the courthouse door. The printer of the paper in which the notice is published shall make affidavit of the fact of publication, which, with the notice, shall be filed with the processioners before they act, and returned with their proceedings. An affidavit of a disinterested person of the service of a notice on persons interested, or their agents, or the fact of such agency, shall, in like manner, be made and filed with the processioners, and returned with their report.

Section 21. KRS 74.010 is amended to read:

(1) Any county court, upon petition of seventy-five resident freeholders of the proposed district, may establish a water district and appoint water commissioners for the purpose of furnishing a water supply to the citizens of the county. The petition shall describe the territory intended to be included in the district, and shall set out the reasons a water district is needed.

(2) When the petition is filed the court shall give notice of the filing by publication *pursuant to KRS Ch. 424* [in three issues in a newspaper of general circulation in the county, or if there is no newspaper in the county, by posting notices in three public places in the proposed district]. Within thirty days after the publication [or notice], any resident of the proposed district may file objections, and the court shall set the case for hearing within ten days. If the court finds that the establishment of such district is reasonably necessary for the public health, convenience, fire protection, and comfort of the residents, it shall make an order establishing the district, and designating it by name or number.

(3) The court may in this order strike off any part of the territory that the testimony shows will not be benefited by the creation of the district. If the court does not find that the district is necessary, it shall dismiss the petition. Either party may thereupon appeal to the circuit court for a retrial, and from the circuit court to the Court of Appeals as provided by law.

Section 22. KRS 74.140 is amended to read:

When the final report is completed and filed, it shall be examined by the court, and if it is found to be sufficient it shall be accepted.

If it is not sufficient, it may be referred back to the commission with instructions to secure further information, to be reported at a subsequent date fixed by the court. When the report is fully completed and accepted by the court, a date not less than twenty days thereafter shall be fixed by the court for the final hearing upon the report, and notice of the hearing shall be given *by publication pursuant to KRS Ch. 424* [at least two weeks before the final hearing]. During the time, a copy of the report shall be on file in the office of the clerk of the county court, and shall be open to the inspection of any landowner or person interested within the district. Any landowner assessed therein may file exceptions to the report. The court upon final hearing shall confirm or reject the report.

Section 23. KRS 74.260 is amended to read:

Upon the final reference to it by the court of any proceedings under this chapter, the commission shall give notice *by publication pursuant to KRS Ch. 424* [in some newspaper published in the county in which the improvement is located and such publication elsewhere as it deems expedient,] of the time and place of letting the work of construction of the improvements. In such notice the commission shall specify the approximate amount of work to be done and the time fixed for the completion of the work. On the date appointed for the letting, the commission shall convene and let the work to the lowest responsible bidder. The work may be let either as a whole or in sections, and either for a lump sum bid or upon the basis of cost plus a fixed fee or percentage of the cost of the improvement, as the commission deems most advantageous. In the event that the work is let upon a lump sum basis, no bid shall be entertained that exceeds the estimated cost, unless it is shown that the original estimate was erroneous. The commission may reject any or all bids and advertise the work again, if in its judgment the interest of the district will be served by so doing. The commission may require each bidder to execute a bond or put up a certified check payable to the treasurer of the water district, in an amount fixed by the commission, to the effect that the bidder will enter into a contract with the commission if his bid is accepted. The successful bidder shall be required to enter into a contract with the commission and to execute a bond for the faithful performance of the contract, with sufficient surety, to the commission for the use and benefit of the district in an amount equal to fifty percent of the estimated cost of the work awarded to such bidder.

Section 24. KRS 74.360 is amended to read:

The notices required by KRS 74.110, 74.140, 74.150, 74.160, 74.170, 74.180 and 74.200 shall be given by publication *pursuant to KRS Ch. 424.* [in one issue of a newspaper of general circulation in the county, or if there is no such newspaper by posting notices in three public places in the water district.]

Section 25. KRS 74.400 is amended to read:

(1) Any county court, except in counties containing a city of the first class, upon petition of seventy-five resident freeholders of a water district heretofore organized under the provisions of KRS 74.010, may authorize said water district to acquire, develop, maintain, and operate a system for the distribution of natural, artificial, or mixed gas to the citizens of the county. The petition shall describe the territory intended to be included in the area to be served and shall set out the reasons a gas distribution system is needed.

(2) When the petition is filed, the court shall give notice of the filing by publication *pursuant to KRS Ch. 424* [in three issues of a newspaper of general circulation in the county, or if there is no newspaper in the county, by posting notices in three public places in the water district]. Within thirty days after the publication [of notices], any resident of the district may file objections, and the court shall set the case for hearing within ten days. If the court finds the establishment of a gas distributing system by such district reasonably necessary for the public health, convenience, and comfort of the residents, it shall make an order authorizing the establishment or acquisition of the gas distributing system.

(3) The court may in its order strike off any part of the territory that the testimony shows will not be benefited by the creation of the distribution system. If the court does not find that the gas distribution system is necessary it shall dismiss the petition. Either party may appeal to the circuit court for a retrial, and from the circuit to the Court of Appeals, as provided by law.

Section 26. KRS 75.010 is amended to read:

(1) Upon a petition signed by at least fifty-one percent of the voters, as determined by the registration books covering such territory, and living within the boundary of a proposed fire protection district filed in the circuit court clerk's office of the county in which the greater part of such territory is located, not less than twenty days before the commencement of the next regular term of said court, and in courts of continuous sessions not less than twenty days before the first day of the next calendar month, notice of the filing of such petition and the object thereof having been given by publication pursuant to KRS Ch. 424 [published in two issues of some newspaper of general circulation in the county,] and by notices posted for at least ten days before the commencement of the said court, one at the courthouse door, and three others at public places within the bounds of the proposed fire protection district, the petition setting out the metes and bounds of the proposed fire protection district, the

number of voters thereof, and such other facts as may be thought proper, on the second day of the term, and in courts of continuous session on the day provided for in such notice has been given, and publication made, and no written objection, remonstrance or defense is interposed, enter a judgment establishing a fire protection district in accordance with the prayer of the petition, naming it, and describing the boundary thereof by metes and bounds. Defense, objection or remonstrance may be made to the petition by any inhabitant of the proposed fire protection district, or any person owning property therein, and if defense, objection or remonstrance is made, the court shall hear and determine the same, and render a judgment establishing or refusing to establish the fire protection district as may seem proper. The pleadings and practice as herein provided shall be the same as in equity cases, as nearly as may be practicable, with right of appeal to the Court of Appeals in accordance with the Rules of Civil Procedure. Such appeal shall be advanced upon the docket.

(2) In no event shall any fire protection district include within its metes and bounds any territory at that time or thereafter included in any city of this Commonwealth.

Section 27. KRS 75.080 is amended to read:

The trustees of any fire protection district wherein water pipes have been constructed and are maintained in the public ways thereof may by resolution duly adopted cause the erection of fire hydrants and attachments to said water pipes in the public ways, after the trustees have made a written contract for water to be furnished for use in *the* [said] hydrants. The cost of such erection and attachments shall be apportioned by *the* [said] trustees against the owners of the property fronting the public ways in which *the* [said] fire hydrants are erected, by any equitable mode of apportionment which *the* [said] board of trustees may prescribe in the resolution ordering the erection of *the* [said] fire hydrants and a lien shall exist against the property against which the apportionment runs for the cost of such improvement in the amount of such apportionment and interest thereon at the rate of six percent per annum, said lien being enforcable by proceedings in court. The erection and installation of such fire hydrants shall be under contract let to the lowest and best bidder after advertisement *by publication pursuant to KRS Ch. 424* [of one insertion for two successive weeks in a newspaper of general circulation in the fire protection district].

Section 28. KRS 76.090 is amended to read:

(1) Upon taking and assuming control of such existing sewer and drainage system the district is authorized to establish a schedule of rates, rentals, and charges, to be collected from all the real property served by the facilities of such district, and to prescribe the manner in which and time at which such rates, rentals, and charges are to be

paid, and to change such schedule from time to time as the district may deem necessary, advisable or expedient. Such schedule may be based upon either, (a) the consumption of water on premises connected with such facilities, taking into consideration commercial and industrial use of water; or (b) the number and kind of plumbing fixtures connected with such facilities; or (c) the number of persons served by such facilities; or (d) may be determined by the district on any other basis or classification which the district may determine to be fair and reasonable, whether similar or dissimilar to those enumerated; or (e) any combination thereof. This schedule may include additional charges for treatment of sewage, with a surcharge where the sewage contains industrial wastes or other wastes in excess of limitations established by regulations of the district.

(2) Prior to the final adoption or modification of such schedule, the district shall adopt a proposed schedule and publish notice thereof *pursuant to KRS Ch. 424* [once a week for three consecutive weeks in a daily newspaper published in the county having the largest circulation therein]. The notice so published shall be dated as of the date of [first] publication thereof and shall state that the proposed or revised schedule of rates, rentals, and charges will remain open for inspection in the office of the district for thirty days from the date of *the* [said] notice, and that objections thereto in writing may be filed during said period with the district by any person aggrieved thereby. The district shall examine and hear any and all such complaints, may modify the proposed schedule, and shall adopt and establish a final schedule within sixty days after the date of said notice; such schedule however shall not become final within a city of the first class, unless and until it has received the approval of the legislative body of the city of the first class by ordinance approved by the mayor; provided, however, the schedule finally adopted shall be sufficient and adequate to cover the purposes of KRS 76.010 to 76.220. Such schedule shall be uniform for all property falling within the same classification, which classification may be based upon the length of time the property has been in the district, the drainage area within which the property lies or any similar or dissimilar reasonable classification. The schedule so adopted and established shall thereafter be the rates, rentals, and charges for the use of the facilities of the district, until changed in the manner hereinbefore provided. Such schedule of rates, rentals, and charges shall be established and revised from time to time so as to produce aggregate revenues to the district sufficient (a) for the payment of the interest on and principal of all revenue bonds and other obligations of the district; (b) for the payment of all cost and expenses of operating and maintaining the sewer and drainage system of the district, including but not limited to the salaries, wages, and fees of all officers and employes of the district; and (c) for the payment of all cost of renewals and replacements of such system; provided how-

ever, that all [such] expenses, salaries, wages, and fees necessary or incident to improvements for the account of which bonds are issued, may be included as a part of the cost of such improvements and paid from the proceeds of such bonds. The district may collect such sewer rates, rentals, and charges, or cause them to be collected and paid to it by such agencies as it may designate, and with whom it may make such contracts or arrangements as the district deems proper. The use of all monies of the district received from any and all sources is hereby limited exclusively and shall be devoted solely to the payment of all obligations of the district and board created by KRS 76.010 to 76.220, and no funds from any sources authorized by KRS 76.010 to 76.220 shall be diverted to any other purposes than those set forth in KRS 76.010 to 76.220.

(3) Whenever any such sewer rates, rentals or charges for services rendered shall remain unpaid for a period of thirty days after the same shall become due and payable, the district shall declare the said property, the owner thereof, and the user of said service, delinquent until such time as all service rates, rentals and charges are fully paid and may cut off the sewer connection and service. It is hereby declared to be unlawful for any delinquent to use water from any public water service or system and discharge same into a public sewer. No public water service or system shall furnish such delinquent with water to be discharged into a public sewer. The district may enter into agreements with any public water company or service providing for the discontinuance of water service to such delinquents.

Section 29. KRS 76.172 is amended to read:

(1) The ordinance providing for the construction of sewerage or drainage facilities and appurtenances shall describe the nature and kind of facilities to be furnished and shall describe the particular area benefited by said sewerage or drainage facilities.

(2) The costs of the sanitary sewers, combined sewers, drains, and appurtenances shall be assessed against the land in said benefited area according to the number of square feet in any lot or tract within the area described in the ordinance, but on any sewer or drain greater in size than ten inches in diameter, the percentage of cost to be paid by the owners of property in said assessment area shall not be greater than the estimated cost of a sewer ten inches in diameter on the same slope, at the same depth, and of the same materials as the sewer or drain constructed. The rate of apportionment shall be the same for each square foot of land in said benefited area, and shall be determined by dividing the cost of the assessable sanitary sewers, combined sewers, drains and appurtenances by the total area of all land benefited in the area.

(3) The costs of property service connections from the sewer

to the property line or easement line as required shall be assessed against the individual lots or tracts to which such property service connections are furnished. The costs to be assessed for the property service connections shall be fixed by regulation of the metropolitan sewer district based on its experience of costs for such work.

(4) All land included in said described territory shall be assessed, except such property dedicated to use for public roadways and property owned by cities of the first or second class, counties containing cities of the first or second class, and any joint agencies of such cities and counties.

(5) When the board of a metropolitan sewer district determines that such construction of sanitary sewers, combined sewers, drains, appurtenances or property service connections at the cost of the property owners shall be recommended to the board of aldermen of a city of the first class, the metropolitan sewer district shall cause its engineering department to prepare complete drawings and specifications for the work and to keep same available for inspection in its offices.

(6) (a) The actual construction work of the sanitary sewers, combined sewers, drains, appurtenances or property service connections constructed pursuant to such ordinance shall be done by, or under the control of, the metropolitan sewer district.

(b) The cost of the sanitary sewers, combined sewers, drains, appurtenances or property service connections shall include not only the actual construction costs and the costs of any easements required for the sewers, but also costs of surveys, designs, plans, specifications, advertising, inspection and administration; however, these costs other than actual construction costs and costs of easements shall not exceed fifteen percent of the actual construction costs of the project. The costs of surveys, designs, plans, specifications, advertising, inspection and administration, but not exceeding a total of fifteen percent of the actual construction costs and the cost of any easements shall be paid by the contractor to the metropolitan sewer district at the completion of the work so that such costs may be included in the apportionment warrants.

(7) A lien superior to all liens except the liens for state, county, city, school and road taxes and liens prior in time for other public improvements shall exist against the respective lots or tracts of land for the cost of the sanitary sewers, combined sewers, drains, appurtenances or property service connections for apportionment as hereinafter provided for, and interest thereon at the rate of six percent per annum.

(8) No error in the proceedings of the city legislative body shall exempt such property from payment after the work has been done

as required by either the ordinance or contract, but the city legislative body, or the courts in which suits shall be proceeding, shall make all corrections, rules, and orders to do justice to all parties concerned. In no event, if the sanitary sewers, combined sewers, drains, appurtenances or property service connections are constructed as provided, by ordinance or contract, shall the city or the metropolitan sewer district be liable for the costs of the sanitary sewers, combined sewers, drains, appurtenances or property service connections without the right to enforce such costs against the property receiving the benefit.

(9) Upon completion and acceptance of the sewer facility constructed, the metropolitan sewer district shall make out all apportionment warrants for which liens are given for improvements of sewer facilities and shall immediately enter them in alphabetical order upon a register kept for that purpose. When the holder of the warrant has obtained payment, he shall notify the metropolitan sewer district and it shall mark upon the register the fact of payment.

(10) The lien shall exist from the date of the apportionment warrant, but a lien shall not be valid against a purchaser for a valuable consideration without notice, unless the apportionment warrant is entered and registered within ten days of its issuance.

(11) After any sewer facilities have been constructed in conformity with this section the metropolitan sewer district shall give notice by [one] publication *pursuant to KRS Ch. 424* [in a newspaper of general circulation in the city] of the costs apportioned, and the amounts assessed and levied on the various tracts of land liable for the payment.

(12) When property is annexed to a city of the first or second class and subsequently is connected to a sewer owned or operated by the metropolitan sewer district, payment shall be made to the district of a proportionate part of the construction costs of the sewer on the basis that would apply if the sewer were being built within the corporate limits of the city by apportionment of costs against the benefited area as provided in this section.

Section 30. KRS 76.305 is amended to read:

(1) When the petition is filed the county clerk shall give notice of the filing by publication *pursuant to KRS Ch. 424* [in three issues of a newspaper of general circulation in the county] and by posting notices in three public places within the proposed district. Within thirty days after the [first] publication any freeholder of the proposed district may file objections, and the court shall set the case for hearing at the first rule day after expiration of said thirty days. If the court finds that the establishment of such district is reasonably necessary for the public health, convenience and comfort

of the residents of the district, it shall make an order establishing the district and designating it by name and number.

(2) If the court finds that the district is not necessary, it may dismiss the petition. If the court finds that any part of the territory will not be benefited, it may strike such part.

(3) Any party may appeal to the circuit court from the order establishing a district or dismissing the petition or striking or refusing to strike any territory from the district. From a decision of the circuit court any party may appeal to the Court of Appeals.

Section 31. KRS 76.335 is amended to read:

When *the* [such] report is filed, the clerk shall, within five days, cause notice of the filing of the report to be *given by publication pursuant to KRS Ch. 424* [published in three issues of a newspaper of general circulation in the county,] and *by* [post] notices *posted* in three public places within the sewer construction district. The proceeding shall be docketed for the first day of the next term of the county court which does not start within twenty days from the first published notice. Property owners may file exceptions to said report at any time up to the day the proceeding is docketed. The court may hear the proceeding on that day, unless further time be required.

Section 32. KRS 76.345 is amended to read:

When this report of classification of benefits is filed, the clerk shall, within five days, cause notice of the filing of same to be *given by publication pursuant to KRS Ch. 424* [published in three issues of a newspaper of general circulation in the county,] and *by* [shall post] notices *posted* in three public places within the sewer construction district. The proceeding shall be docketed for the first day of the next term of the county court which does not start within twenty days from the first published notice. Property owners may file exceptions to said report at any time up to the day the proceeding is docketed. The court may hear the proceeding on that day, unless further time be required.

Section 33. KRS 76.530 is amended to read:

(1) The district may establish a schedule of rates, rentals and charges, to be collected from all the real property served by the facilities of such district, may prescribe the manner in which and time at which such rates, rentals and charges are to be paid, and may change such schedule from time to time as the district may deem necessary, advisable or expedient. Such schedule may be based upon (a) the consumption of water on premises connected with such facilities, taking into consideration commercial and industrial use of water; or (b) the number and kind of plumbing fixtures

connected with such facilities; or (c) the number of persons served by such facilities; or (d) a determination by the district on any other basis or classification which the district may determine to be fair and reasonable, whether similar or dissimilar to those enumerated; or (e) any combination thereof. This schedule may include additional charges for treatment of sewage, with a surcharge where the sewage contains industrial wastes or other wastes in excess of limitations established by regulations of the district.

(2) Prior to the final adoption or modification of such schedule, the district shall adopt a proposed schedule and publish notice thereof *pursuant to KRS Ch. 424* [once a week for three consecutive weeks in a daily newspaper published in the county having the largest circulation therein]. The notice so published shall be dated as of the date of [first] publication thereof and shall state that the proposed or revised schedule of rates, rentals and charges will remain open for inspection in the office of the district for thirty days from the date of such notice, and that objections thereto in writing may be filed during *that* [said] period with the district by any person aggrieved thereby. The district shall examine and hear any and all such complaints, may modify the proposed schedule, and shall adopt and establish a final schedule within sixty days after the date of such notice. However, the schedule finally adopted shall be sufficient and adequate to cover the purposes of KRS 76.505 to 76.585. Such schedule shall be uniform for all property falling within the same classification, which classification may be based upon the length of time the property has been in the district, the drainage area within which the property lies or any similar or dissimilar reasonable classification. The schedule so adopted and established shall thereafter be the rates, rentals and charges for the use of the facilities of the district, until changed in the manner provided in KRS 76.505 to 76.585. Such schedule of rates, rentals and charges shall be established and revised from time to time so as to produce, together with other sources of revenue authorized by KRS 76.505 to 76.585, aggregate revenues to the district sufficient (a) for the payment of the interest on and principal of all revenue bonds and other obligations of the district; (b) for the payment of all cost and expenses of operating and maintaining the sewer and drainage system of the district, including but not limited to the salaries, wages and fees of all officers and employes of the district; and (c) for the payment of all cost of renewals and replacements of such system. However, all such expenses, salaries, wages and fees necessary or incident to improvements for the account of which bonds are issued, may be included as a part of the cost of such improvements and paid from the proceeds of such bonds. The district may collect such rates, rentals and charges, or cause them to be collected and paid to it by such agencies as it may designate, and with whom it may make such contracts or arrangements as the district deems proper. The use of all

monies of the district received from any and all sources is hereby limited exclusively and shall be devoted solely to the payment of all obligations of the district and board created by KRS 76.505 to 76.585, and no funds from any sources authorized by KRS 76.505 to 76.585 shall be diverted to any other purposes than those in KRS 76.505 to 76.585 set forth.

(3) Whenever any such sewer rates, rentals or charges for services rendered [shall] remain unpaid for a period of thirty days after the same [shall] become due and payable, the district shall declare such property, the owner thereof, and the user of such service, delinquent until such time as all service rates, rentals and charges are fully paid and may cut off the sewer connection and service. It is [hereby declared to be] unlawful for any delinquent to use water from any public water service or system and discharge same into a public sewer. No public water service or system shall furnish such delinquent with water to be discharged into a public sewer. The district may enter into agreements with any public water company or service providing for the discontinuance of water service to such delinquents.

Section 34. KRS 77.025 is amended to read:

Notice of the [time and place of such] public hearing shall be given by the body conducting the hearing by publication *pursuant to KRS Ch. 424* [at least once in a newspaper of general circulation within the district not less than fifteen days nor more than forty-five days before such hearing. If no newspaper of general circulation is published within the district, notice shall be given of the time and place of public hearing by posting in a public place not less than ten days before such hearing].

Section 35. KRS 77.185 is amended to read:

The air pollution control board shall not enact any order, rule or regulation until it first holds a public hearing thereon. It shall give [not less than ten days] notice of the [time and place of such] public hearing by publication *pursuant to KRS Ch. 424* [in a newspaper of general circulation published within the district. If no newspaper of general circulation is published within the district it shall give notice of the time and place of public hearing by posting in a public place not less than, ten days before such hearing].

Section 36. KRS 80.400 is amended to read:

The governing body of a county shall not adopt any resolution authorized by KRS 80.320, 80.340 80.350 or 80.360 with regard to a regional housing commission unless a public hearing has first been held. The clerk of that county shall give notice of the [time, place, and purpose of the] public hearing *by publication pursuant to KRS Ch. 424* [at least ten days prior to the day on which the hearing is to be held, in a newspaper published in that county, or if there is no newspaper published in that county, then in a newspaper having a general circulation in that county]. Upon the date fixed for such public hearing an opportunity to be heard shall be granted to all residents of that county and to all other interested persons.

Section 37. KRS 80.580 is amended to read:

In addition to its other powers, a housing commission created for a city pursuant to KRS 80.010 to 80.250 may exercise any or all of its powers within the territorial boundaries of any other city for the purpose of planning, undertaking, financing, constructing and operating a housing project or projects within the other city, if a resolution has been adopted by the governing body of the other city in which such commission is to exercise its powers and by the housing commission of the other city (if one has been theretofore created for such other city) declaring (upon findings prescribed in KRS 80.380) that there is a need for the housing commission of the aforesaid city to exercise its powers within the other city. The governing body of the other city shall not adopt a resolution pursuant to this section unless a public hearing has first been held. The clerk of such city shall give notice of the [time, place and purpose of the] public hearing *by publication pursuant to KRS Ch. 424* [at least ten days prior to the date on which the hearing is to be held, in a newspaper published in such city, or if there is no newspaper published in such city, then in a newspaper published in the state and having a general circulation in such city]. Upon the date fixed for such public hearing an opportunity to be heard shall be granted to all residents of such city and to all other interested persons.

Section 38. KRS 80.690 is amended to read:

Complaints or orders issued by a public officer pursuant to an ordinance adopted under KRS 80.620 to 80.720 shall be served upon persons either personally or by registered mail, but if the whereabouts of such person is unknown and the same cannot be ascertained by the public officer in the exercise of reasonable diligence, and the public officer shall make an affidavit to that effect, then the serving of such complaint or order upon such persons may be made by *publication pursuant to KRS Ch. 424* [publishing the same once each week for two successive weeks in a newspaper printed and published in the city, or, in the absence of such newspaper, in one of general circulation in the city in which the dwellings are located]. A copy of such complaint or order shall be posted in a conspicuous place on premises affected by the complaint or order, and shall be recorded in the office of the circuit clerk of the county wherein the dwelling is located.

Section 39. KRS 81.050 is amended to read:

Proceedings to incorporate a city shall be commenced by a petition signed by at least two-thirds of the voters living within the boundary of the proposed city, or, in case of an incorporated taxing district having by charter a grant of municipal powers and exercising them, by its petition accompanied by request for such action signed by a majority of the voters resident in the district. The petition must be filed in the circuit clerk's office of the county in which the greater part of the territory is located, not less than twenty days before the commencement of the next regular term of court. Notice of the filing of the petition and of its object shall be given by publication *pursuant to KRS Ch. 424* [in two issues of some newspaper of general circulation published in the county, or, if there is none, by notices posted for at least ten days before the commencement of the term, one at the courthouse door and three others at public places within the boundary of the proposed city]. The petition shall set out the metes and bounds of the proposed city, the number of the voters in it and such other facts as may be thought proper.

Section 40. KRS 81.100 is amended to read:

The boundaries of cities of the first class shall remain as established by law until changed as provided in KRS 81.100 to 81.130. Whenever a city of the first class desires to annex any unincorporated territory or to reduce the boundaries of the city, the city legislative body may enact an ordinance, defining accurately the boundary of the territory proposed to be annexed or stricken off. The ordinance shall be published *pursuant to KRS Ch. 424* [in at least ten issues of the daily paper published in and having the largest circulation in the city]. In not less than thirty days after the enactment of the ordinance, if the publication has been made and no petition has been filed in the circuit court as provided in KRS 81.110, the city legislative body may enact another ordinance annexing to the city or striking from the city the territory described in the ordinance. Upon the enactment of this ordinance, the territory shall become part of the city, or be stricken from the city.

Section 41. KRS 81.140 is amended to read:

Any city of the second class may annex any unincorporated territory or reduce the boundaries of the city, in the same manner and under the same procedure as is provided in KRS 81.100 and 81.110 for annexation of unincorporated territory or reduction of boundaries by cities of the first class, with the following exceptions:

(1) The ordinance proposing annexation or reduction must be adopted by a two-thirds vote of the governing body of the city.

(2) The ordinance must be published *pursuant to KRS Ch. 424* [in the official newspaper of the city].

(3) The proceedings in the circuit court shall be tried according to the practice prescribed for the trial of equity cases, without the intervention of a jury.

(4) The number of freeholders whose remonstrance will control the question of annexation or reduction shall be fifty percent.

(5) The circuit court may find and decree that only a part or parts of the territory proposed to be annexed shall be annexed, in which event the court shall specifically indicate and prescribe by metes and bounds, or other clear and specified description, the territory which the court finds should be annexed, and that part only shall be annexed.

Section 42. KRS 81.190 is amended to read:

Any city of the third class may annex any territory to the city or reduce the boundaries of the city, in the same manner and under the same procedure as is provided in KRS 81.100 and 81.110 for annexation of unincorporated territory or reduction of boundaries by cities of the first class, with the following exceptions:

[(1) If there is no daily newspaper published in the city, the ordinance proposing annexation or reduction of territory shall be published in at least four issues of a weekly paper published in and having the largest circulation in the city. If there is no daily or weekly newspaper published in the city, copies of the ordinance shall be posted for at least ten days in four of the most public places in the city.]

(1) [(2)] If the mayor is absent, the summons issued on the petition filed in circuit court shall be served on the members of the city legislative body.

(2) [(3)] The proceedings in the circuit court shall be tried according to the practice prescribed for the trial of equity cases, without the intervention of a jury.

(3) [(4)] There shall be no appeal from the judgment of the circuit court.

Section 43. KRS 81.210 is amended to read:

Whenever a fourth-class city desires to annex any territory or to reduce the boundaries of the city, the city legislative body shall, by ordinance, accurately define the boundary of the territory proposed to be annexed or stricken off. The ordinance shall be published *pursuant to KRS Ch. 424* [for not less than three weeks in a newspaper published in the city or county. If there is no newspaper published in the city or county, the ordinance shall be advertised by handbills posted for at least fifteen days at four or more public places in the city, and at the same number of the most public places within the territory proposed to be annexed or stricken off]. Within thirty days after the adoption, publication and advertisement of the ordinance, a petition shall be filed in the circuit court of the county within which the city is situated, in the name and on behalf of the city, setting forth the passage, publication and advertisement of the ordinance and its object and purposes, together with an accurate description by metes and bounds of the territory proposed to be annexed or stricken from the city, and praying for a judgment to annex the territory or strike it from the city. The petition shall be filed not less than twenty days before the first day of the next succeeding term of the circuit court in that county. Notice of the filing of the petition shall be given in the same manner as notice of passage of the ordinance. The circuit court shall not have jurisdiction of the proceedings unless the required publication or advertisement of the ordinance contains notice of the proposed proceedings in the court. If no defense is made at the first term of the court after the filing of the petition and notice and the court makes no order for granting future time for making defense, the court shall render judgment annexing or striking off the proposed territory.

Section 44. KRS 81.230 is amended to read:

Any city of the fifth class may annex any territory to the city or reduce the boundaries of the city, in the same manner and under the same procedure as is provided in KRS 81.100 and 81.110 for annexation of unincorporated territory or reduction of boundaries by cities of the first class, with the following exceptions:

[(1) The ordinance proposing annexation or reduction of territory may be published in any daily paper published in the city. If there is no daily paper published in the city, the ordinance shall be published in at least four issues of a weekly paper published in the city. If there is no daily or weekly paper published in the city, copies of the ordinance shall be posted for at least ten days in four of the most public places in the city.]

(1) [(2)] The proceedings in the circuit court shall be tried according to the practice prescribed for the trial of equity cases, without the intervention of a jury.

(2) [(3)] There shall be no appeal from the judgment of the circuit court.

Section 45. KRS 81.240 is amended to read:

Any city of the sixth class may annex any territory to the city or reduce the boundaries of the city, in the same manner and under the same procedure as is provided in KRS 81.100 for annexation of unincorporated territory or reduction of boundaries by cities of the first class, with the following exception[s]:

[(1) If there is no daily paper published in the city, the ordinance proposing annexation or reduction of territory shall be published in at least four issues of a weekly paper published in and having the largest circulation in the city. If there is no daily or weekly paper published in the city, copies of the ordinance shall be posted for at least ten days in four of the most public places in the city.]

[(2)] The proceedings in the circuit court shall be tried according to the practice prescribed for the trial of equity cases, without the intervention of a jury.

Section 46. KRS 81.340 is amended to read:

The plan described in KRS 81.300 shall be advertised by the clerk of the fiscal court *by publication pursuant to KRS Ch. 424* [for the two weeks next preceding the election in a newspaper of daily circulation in the county].

Section 47. KRS 82.080 is amended to read:

(1) The legislative bodies of cities of all classes shall have power and authority to adopt traffic, building, plumbing, electrical and other codes by reference and also revisions and codifications of ordinances without the necessity of [newspaper or other] publication of same, provided that [at least five days'] notice of the meeting at which same are adopted has been given *by publication pursuant to KRS Ch. 424* [in a newspaper published or of general circulation in said city,] and further that *the* [said] code has been approved at such meeting of said city legislative body and has been made a part of the public records of the city by resolution or ordinance.

Section 48. KRS 84.090 is amended to read:

Each board shall keep a correct journal of its proceedings, and immediately after its adjournment shall publish *pursuant to KRS Ch. 424* [once in the official newspaper] a fair abstract of its proceedings in different languages if necessary.

Section 49. KRS 84.100 is amended to read:

(1) No ordinance shall embrace more than one subject, and that shall be expressed in the title. No ordinance shall be reenacted by mere reference to its title, but the ordinance reenacted shall be set forth at length, as if it were an original ordinance. No ordinance shall be amended by providing that designated words be stricken out and others inserted in lieu thereof, but the ordinance or section amended shall be set forth in full as amended.

(2) All ordinances and resolutions for raising revenue shall originate in the board of councilmen. The board of aldermen may propose amendments to any such ordinance or resolution, but may not introduce, under color of amendment, new matter that does not relate to raising revenue.

(3) No ordinance or resolution shall be passed until it has been voted for by a majority of the members of each board, on a viva voce vote entered in full on its journal, and has been read in each board at two separate meetings and free discussion allowed thereon; but the requirement of a reading at two separate meetings may be suspended by a vote of two-thirds of the members of the board in which the proposed ordinance or resolution is pending.

(4) When an ordinance is put upon its final passage in either board and fails to pass, and a motion is made to reconsider the vote by which it was defeated, the vote upon the motion to reconsider shall be taken immediately and the subject finally disposed of before the board proceeds to other business. When a motion is made and carried to postpone indefinitely an ordinance or resolution, the subject shall not be introduced again for six months.

(5) Every proposed ordinance or joint resolution that has passed the general council shall be presented to the mayor. If the mayor approves it, he shall sign it and return it to the board in which it originated. If he disapproves it, he shall return it with his written objections to the board in which it originated; that board shall then reconsider it, and if two-thirds of the members concur in passing it again, it shall be sent with the mayor's objections to the other board, which shall also reconsider it, and if two-thirds of the members of that board concur in passing it again, it shall be in force. When a disapproved ordinance or resolution is reconsidered by either board, the vote of each board shall be taken by yeas and nays and recorded in its journal. If the mayor fails to approve or disapprove a proposed ordinance or resolution within twenty days after presentation to him, the same procedure shall be followed as if he had in fact disapproved the ordinance or resolution.

(6) Except as otherwise provided in this subsection, all ordinances shall be published *pursuant to KRS Ch. 424* [once in the official newspaper of the city,] in different languages if necessary. Ordinances or resolutions appropriating or paying less than fifty dollars, ordinances for public improvements, and proposals or bids for such improvements, including detailed specifications, shall not be published, but shall be open to inspection in the proper office and notices so stating shall be published *pursuant to KRS Ch. 424.* Except as provided in KRS 80.280, no ordinance required to be published shall be in force until it has been so published.

Section 50. KRS 85.100 is amended to read:

The common council shall cause to be kept a complete and correct journal of its proceedings, and, immediately after the adjournment of each session, may have its proceedings for that session published *pursuant to KRS Ch. 424.* [at least once in one or more newspapers published in the city. The newspaper or newspapers shall be selected annually by the common council.]

Section 51. KRS 86.090 is amended to read:

(1) No ordinance for the assessment of any tax or for the establishment of any license shall be valid unless the yeas and nays are recorded in the journal of proceedings. Any member of the city council may demand that the yeas and nays on any vote be [so] recorded.

(2) The mayor may approve or veto any ordinance or resolution, and may veto any separate item of an ordinance appropriating money. Any ordinance, resolution, or item of an appropriation ordinance vetoed by the mayor may be passed over the veto by a vote of two-thirds of the members of the city council.

(3) If the mayor fails to sign any ordinance or resolution, or to return it to the city clerk with his written objections, within ten days after its passage, the ordinance or resolution shall take effect without his signature.

(4) Immediately after the adjournment of each meeting of the council, the clerk of the council shall have every ordinance passd at the meeting, except ordinances enacted under KRS 80.280, published *pursuant to KRS Ch. 424* [at least once in some newspaper published in the city, or by handbills]. The publication directed by this subsection shall be made before the ordinance is enforced. The clerk shall preserve a copy of each published ordinance.

Section 52. KRS 87.050 is amended to read:

(1) No ordinance or resolution, granting a franchise for any purpose shall be passed by the city council on the day of its introduction, nor within five days thereafter, nor at any other than a regular meeting. No resolution or order for the payment of money shall be passed at any other time than a regular meeting. No ordinance, resolution or order shall have any validity or effect unless passed by the votes of at least three members of the city council.

(2) The enacting clause of all ordinances shall be as follows: "The city council of the city of ____________ does ordain as follows."

(3) Every ordinance shall be signed by the mayor, attested by the clerk, and published *pursuant to KRS Ch. 424* [at least once in the newspaper having the largest circulation which is published in the city, or if no newspaper is published in the city, posted in at least three public places in the city], and shall be in force from and after the publication. [, or posting.]

(4) The validity or constitutionality of any city ordinance, bylaw or rule shall be tried by a writ of prohibition from the circuit

court of the county in which the city is located, with right of appeal by either party to the Court of Appeals.

Section 53. KRS 88.020 is amended to read:

(1) A majority of the voters residing in a city of the sixth class may petition the circuit court of the county in which a greater part of the city is located asking that its charter be dissolved.

(2) The petition shall be signed by each petitioner, and filed in the office of the circuit court clerk not less than twenty days before the commencement of the next regular term of court. The petitioners shall cause notice of the filing of the petition and the object thereof to be published *pursuant to KRS Ch. 424* [in two issues of some newspaper of general circulation published in the county, or if none by notices posted at the courthouse door and at other public places in the city for at least ten days prior to the commencement of the term]. The petition shall set out the metes and bounds of the city, the number of voters and inhabitants residing within the boundaries, and any other facts thought proper.

(3) Defense may be made to the petition by any voter of the town, and if a defense is made the court shall hear and determine the same and may render judgment dissolving and annulling the charter. The pleadings and practice, except as herein provided, shall be the same as in equity cases; and appeal shall lie from the judgment as in other civil actions.

(4) Whenever the charter of any town is dissolved in the manner hereinabove provided, the judgment shall direct the clerk of the circuit court wherein such judgment is rendered, to certify a copy of said judgment not later than ten days thereafter to the Secretary of State *who* [whose duty it] shall [be to] properly index and file the same as a permanent record in his office.

Section 54. KRS 88.060 is amended to read:

(1) No ordinance or resolution granting any franchise shall be passed by the board of trustees within five days after its introduction, nor at any other than a regular meeting. No resolution or order for the payment of money shall be passed at any other than a regular meeting. Except as provided in KRS 95.810, no ordinance incurring a liability, or requiring an appropriation exceeding fifty dollars for any one object or purpose, shall be valid unless it is voted for by four members of the board and the yeas and nays are entered upon the journal.

(2) The enacting clause of all ordinances shall be as follows: "The board of trustees of the city of ______________________ does ordain as follows."

(3) Every ordinance shall be signed by the chairman, attested

by the clerk, and published *pursuant to KRS Ch. 424* [at least once in a newspaper published in the city, or posted in at least three public places therein], and shall be in force from and after the publication [or posting].

Section 55. KRS 89.030 is amended to read:

(1) The sense of the voters of any city of the second, third or fourth class shall be taken on the question of organizing and being governed under the commission form of government, upon application to the county judge of the county in which the city is situated by written petition signed by a number of legal voters of the city equal to twenty-five percent in cities of the second and fourth classes, or twenty percent, in cities of the third class, of the votes cast in the city at the last preceding general election. The county judge shall receive the petition, and at the next regular term thereafter make an order in his book directing an election to be held in the city at the next regular election that is held not earlier than sixty days, in cities of the second, third and fourth classes, nor later than ninety days, in cities of the fourth class, after the application is lodged with the judge, except that in cities of the second class the election shall not be held in the same year that the mayor or police judge is elected. The order shall direct the sheriff or other officer of the county who *is* [may be] appointed to hold the election to open the polls at each voting place in the city for the purpose of taking the sense of the qualified voters of the city on the question of whether or not they are in favor of the organization and government of the city under the commission form of government.

(2) In cities of the second class the question to be submitted to the voters shall be:

"Are you in favor of the organization and government of the city of ____________ under the commission form of government?"

(3) In cities of the third class the question to be submitted to the voters shall be:

"Are you in favor of the organization and government of the city of ____________ under the commission form of government, under which the members of the board of commissioners shall each receive a salary of $________ per annum?"

(4) In cities of the fourth class the question to be submitted to the voters shall be:

"Are you in favor of the organization and government of the city of ____________ under the commission form of government, under which the salary of the mayor for the first term shall be $________ per annum, the salary of the police judge for the first term shall be $________ per annum, and the salary of each commissioner for the first term shall be $________ per annum?"

(5) The county clerk shall give to the sheriff of the county, or to such officer as may be appointed to hold the election, a certified copy of the order of the county court, as it appears on the order book, within five days after the order is made. The sheriff or other officer shall have the order published *pursuant to KRS Ch. 424* [in some weekly or daily newspaper published or circulated in the county for at least two weeks before the election], and also advertise the order by handbills posted in conspicuous places in the city, for the same length of time *that publication is required.* [If there is no weekly or daily newspaper published in the city, or if the proprietor of the paper refuses to publish the notice, the handbills shall be sufficient.] The sheriff or other officer shall have the advertisement published and notices posted within seven days after he receives the order of the county court. The election shall be held by the regular election officers.

(6) The board authorized to canvass election returns shall certify the result of the election to the clerk of the county court and to the clerk of the city. At the next regular term of court the county judge shall cause the certificate to be spread on the order book of the court. The entry of the certificate in the order book, or copy thereof, shall be prima facie evidence of the facts therein contained. In cities of the second class the entry of the certificate in the order book, or copy thereof, shall be conclusive evidence of the election and its result.

(7) If a majority of the votes cast are in favor of organizing and governing the city under the commission form of government, the certificate of the canvassing board delivered to the city clerk shall be spread upon the records of the city at the next regular meeting of the city legislative body, and thereupon the city shall be organized and governed by the provisions of KRS 89.040 to 89.290.

(8) Failure on the part of any ministerial officer to perform the duties required of him by this section shall not prevent the organization and government of the city under the commission form of government.

Section 56. KRS 89.060 is amended to read:

(1) In cities of the fourth class no person shall be elected to the office of mayor, police judge or commissioner without first having been nominated in the manner prescribed by this section. On the seventh Saturday before the regular election day there shall be held a primary election. The primary election shall be conducted by the same officers chosen and acting in the same manner, with the same rights and duties, as in the regular election.

(2) Each applicant for nomination shall, at least forty-five days before the day for the primary election, file with the county

clerk a petition signed by at least twenty voters, in the following form:

"We the undersigned, qualified voters of the city of ____________, and residing each at the place indicated opposite his name, do hereby request that the name of ____________ be placed on the ballot as that of an applicant for nomination for the office of ______________ at the primary election to be held in our city on the seventh Saturday before the next regular election. We know the applicant to be a qualified voter of the city and a person of good character; and he is, in our judgment, qualified for the duties of the office sought by him.

Name	Number	Street
______________	______________	______________
______________	______________	______________"

The petition shall be verified by the affidavit of some person as to the genuineness of the signatures and addresses of the signers. No voter shall sign more than one petition with reference to each office that is to be filled. If a person signs more than one petition of applicants for nomination for mayor or police judge, or signs the petitions of more than four applicants for nomination for commissioners, the name of that petitioner shall not be counted as a valid name on any petition.

(3) Immediately upon the expiration of the time for filing the petitions, the county clerk shall have published *pursuant to KRS Ch. 424* [for three successive days in the official newspaper of the city, and in such other papers as he may designate], the names of the persons as they will appear upon the primary ballots, and shall thereupon cause the primary ballots to be printed, authenticated with a facsimile of his signature.

(4) Subsection (3) of this section shall not apply if it appears, immediately upon the expiration of the time for filing petitions, that there are only two applicants for nomination for mayor or police judge, and only eight or less for commissioners. In that case such applicants shall thereupon be nominated and their names shall not be placed upon the primary ballot, and no primary election shall be held for nomination for those offices, but the county clerk shall have their names placed on the regular ballot for the general election.

(5) The names of the applicants for each nomination shall be placed on the ballots for the primary election in alphabetical order, with a square at the right of each name. Above the names of the applicants for nomination for mayor or police judge shall be printed the words "Vote for one," and above the names of the applicants for nomination for commissioners shall be printed the words "Vote for four." The ballots shall contain no party designation or emblem of

any kind, nor any sign indicating any applicant's political belief or party affiliation.

(6) After the ballots are printed, the county clerk shall have delivered at each polling place a number of ballots equal to twice the number of votes cast in the polling precinct at the last preceding election for city councilmen. The persons who are qualified to vote at the regular municipal election shall be qualified to vote at the primary election, and the law applicable to challenges made at a regular municipal election shall be applicable to challenges made at the primary election.

(7) The two applicants receiving the highest number of votes for nomination for mayor and the two applicants receiving the highest number of votes for nomination for police judge shall be thereby nominated. The eight applicants receiving the highest number of votes for nomination for commissioners shall be thereby nominated.

(8) The expenses of the primary election shall be paid by the city.

Section 57. KRS 89.260 is amended to read:

Whenever the question of passage of a proposed ordinance, or of the going into effect, repeal or amendment of an ordinance is to be submitted to the voters at an election, the board of commissioners shall cause the proposed ordinance or the ordinance and amendment, as the case may be, to be *published pursuant to KRS Ch. 424* [printed once in the official newspaper of the city and in such other newspapers as the board of commissioners may direct, before the election].

Section 58. KRS 89.290 is amended to read:

(1) Whenever the citizens of any city of the second, third or fourth class that has been organized and governed under the commission form of government for a period of not less than four years desire that the organization and government of the city under the commission form of government shall terminate, they shall file with the county judge of the county in which the city is located a written petition signed by a number of the legal voters of the city equal to thirty-three and one-third percent of the votes cast in the city at the last preceding general election. The county judge shall receive the petition, and at the next regular term thereafter make an order on his order book directing an election to be held in the city at the next regular election that will be held not earlier than sixty days after the application is lodged with the judge, except that in cities of the second class the election shall not be held at the same time commissioners are elected. The order shall direct the sheriff or other officer of the county who is appointed

to hold the election to open the polls at each voting place in the city for the purpose of taking the sense of the qualified voters of the city upon the question as to whether or not they are in favor of the abandonment of the commission form of government. The question to be submitted to the voters shall be: "Shall the city of ________________ abandon the commission form of government?"

(2) The county clerk shall give to the sheriff or other officer appointed to hold the election a certified copy of the order of the county court as it appears on the order book, within five days after the order is made. The sheriff or other officer shall have the order published *pursuant to KRS Ch. 424* [in some weekly or daily newspaper published or circulated in the county, for at least two weeks before the election], and shall advertise the order by handbills posted in conspicuous places in the city for the same length of time *that publication is required.* [If there is no weekly or daily newspaper published in the city, or if the proprietor of the paper refuses to publish the notice, the handbills shall be sufficient.] The sheriff or other officer shall have the advertisements published and notices posted within seven days after he receives the orders of the county court.

(3) The canvassing board shall certify the result of the election to the clerk of the county court and to the clerk of the city, and at the next regular term of court the county judge shall cause the certificate to be spread upon the order book of the court. The entry of the certificate on the order book, or copy thereof, shall be prima facie evidence of the facts therein contained.

(4) If a majority of the votes cast is in favor of the proposition so submitted, and the certificate of the canvassing board has been spread upon the order book of the county court, the certificate delivered to the city clerk shall be spread upon the records of the city, at the next regular meeting of the city council, and thereupon the city shall cease to be governed by the commission form of government, and shall thereafter be governed by the general city laws applicable to that class of city, except that in cities of the second class the commissioners theretofore elected shall continue in office and administer the government of the city until the expiration of the terms for which they were elected.

Section 59. KRS 89.300 is amended to read:

(1) The county judge in the county in which is located a city of the fifth or sixth class proposing to take the sense of its voters upon the question of adopting the commission form of government shall, upon the application by written petition signed by a number of legal voters of the city equal to twenty-five percent of the votes cast in the city at the last preceding general election, receive the petition, and at the next regular term after that make an order in his book directing an election to be held in the city at the next

regular election, and not earlier than sixty days nor later than ninety days after the application is lodged with the judge. The order shall direct the sheriff or other officer of the county who may be appointed to hold the election, to open the polls at each voting place in the city for the purpose of taking the sense of the qualified voters of the city upon the question of whether or not the citizens in the city are in favor of the organization and government of the city under KRS 89.300 to 89.380. The question to be submitted to the voters shall be: "Are you in favor of the organization and government of the city of _____________ under the commission form of government?"

(2) The county clerk shall give to the sheriff of the county, or to such officer as may be appointed to hold the election, a certified copy of the order of the county court as it appears on the order book within five days after the order is made. The sheriff or other officer shall have the order published *pursuant to KRS Ch. 424* [in some weekly or daily newspaper published or circulated in the county, for at least two weeks before the election], and also *shall* advertise the same by printed or written handbills, posted in conspicuous places in the city, for the same length of time *that publication is required.* [If there is no weekly or daily newspaper published in the city, or the proprietor of the paper refuses to publish the notice, the printed or written handbills provided for shall be sufficient notice.] The sheriff or other such officer shall have the advertisement and notices posted as required by this section within seven days after he receives the order of the county court.

(3) If a majority of the legal votes cast at the election were given for or against the proposition submitted, the canvassing board shall certify that fact. The certificate shall be delivered to the county clerk and a copy of the certificate shall be delivered to the clerk of the city, and at the next regular term of the county court the county judge shall cause the certificate to be spread on the order book of the court. The entry of the certificate in the order book, or copy of it shall be prima facie evidence of the facts contained in it.

(4) When a majority of the votes cast are in favor of organizing and governing the city under KRS 89.300 to 89.380, that fact is certified, as provided in subsection (3), by the canvassing board of the county to the county clerk, a copy of the certificate is certified to the city clerk, and a copy of the certificate is spread upon the records of the county, and of the city at the next regular meeting of the city legislative body, the city shall be organized and governed by KRS 89.300 to 89.380.

Section 60. KRS 89.410 is amended to read:

(1) The sense of the voters of the city shall be taken on the

question of organizing and being governed under the city manager form of government, upon application to the county judge of the county in which the city is situated by written petition signed by a number of legal voters of the city equal to twenty percent of the votes cast in the city at the last preceding election for mayor. The county judge shall receive the petition, and at the next regular term thereafter make an order on his order book directing an election to be held in the city at the next regular election that is held not earlier than sixty days after the application is lodged with the judge. The order shall direct the sheriff or other officer of the county who may be appointed to hold the election to open the polls at each voting place in the city for the purpose of taking the sense of the qualified voters of the city on the question as to whether or not they are in favor of the organization and government of the city under the city manager form of government.

(2) The question to be submitted to the voters shall be: "Are you in favor of the organization and government of the city of ------------------ under the city manager form of government?"

(3) The county clerk shall give to the sheriff of the county, or to such officer as may be appointed to hold the election, a certified copy of the order of the county court as it appears on the order book, within five days after the order is made. The sheriff or other officer shall have the order published *pursuant to KRS Ch. 424* [in some weekly or daily newspaper published or circulated in the county for at least two weeks before the election], and *shall* also advertise the order by handbills posted in at least three places in the city for the same length of time *that publication is required.* [If there is no weekly or daily newspaper published in the city, or if the proprietor of the newspaper refuses to publish the notice, the handbills shall be sufficient.]

(4) The canvassing board shall certify the result of the election to the clerk of the county court and to the clerk or recorder of the city. At the next regular term of court the county judge shall cause the certificate to be spread on the order book of the court. The entry of the certificate in the order book, or a copy thereof, shall be prima facie evidence of the facts therein contained.

(5) If a majority of the votes cast is in favor of organizing and governing the city under the city manager form of government, the certificate of the canvassing board delivered to the city clerk or recorder shall be spread upon the records of the city at the next regular meeting of the city legislative body, and thereafter the city shall be organized and governed under the provisions of KRS 89.420 to 89.680.

Section 61. KRS 89.440 is amended to read:

(1) No person shall be elected to the office of mayor, police judge or commissioner without first having been nominated in the manner prescribed by this section. On the seventh Saturday before the day for the regular election there shall be held a primary election. The primary election shall be conducted by the same officers chosen and acting in the same manner, with the same rights and duties, as in the regular election.

(2) Each applicant for nomination shall, at least forty-five days before the day of the primary election, file with the county clerk a petition signed by at least one hundred voters, in a city of the second class, or by at least fifty voters, in a city of the third or fourth class, in the following form:

"We the undersigned, qualified voters of the city of -------------------, and residing each at the place indicated opposite his name, do hereby request that the name of --------------- be placed on the ballot as that of an applicant for nomination for the office of ------------------, at the primary election to be held in our city on the seventh Saturday before the next regular election. We know the applicant to be a qualified voter of the city and a person of good character, and he is, in our judgment, qualified for the duties of said office.

Name	Number	Street
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The petition shall be verified by the affidavit of some person as to the genuineness of the signatures and addresses of the signers. No voter shall sign more than one petition with reference to each office that is to be filled. If any voter signs more than one petition of applicants for nomination for mayor or police judge, or signs the petitions of more applicants for nomination for commissioners than the number of commissioners to be elected, the name of that petitioner shall not be counted as a valid name on any petition.

(3) Immediately upon the expiration of the time for filing petitions the county clerk shall have published *pursuant to KRS Ch. 424* [for three consecutive days in the official newspaper of the city, and in such other papers as he may designate], the names of the persons as they will appear upon the primary ballots, and shall thereupon cause the primary ballots to be printed, authenticated with a facsimile of his signature.

(4) Subsection (3) of this section shall not apply if it appears, immediately upon the expiration of the time for filing petitions, that there are not more than two applicants for nomination as mayor or police judge, or not more applicants for nomination for commissioner than twice the number of commissioners to be elected. In

that case the applicants for mayor or police judge and the applicants for commissioner shall thereby be nominated and their names shall not be placed upon the primary ballots, and no primary election shall be held for nomination for those offices.

(5) The names of the applicants for each nomination shall be printed on the ballots as provided in KRS 89.460, with a square at the right of each name. Above the names of the applicants for nomination for mayor or police judge shall be printed the words "Vote for one," and above the names of the applicants for nomination for commissioners shall be printed the words, "Vote for four," in a city of the second or fourth class, or "Vote for two" in a city of the third class. The ballots shall contain no party designation or emblem of any kind, nor any sign indicating any applicant's political belief or party affiliation.

(6) After the ballots are printed, the county clerk shall cause to be delivered at each polling place a number of ballots equal to twice the number of votes cast in the polling precinct at the last preceding regular election for mayor. The persons who are qualified to vote at the regular municipal election shall be qualified to vote at the primary election, and the law applicable to challenges made at a regular municipal election shall be applicable to challenges made at the primary election.

(7) The ballots shall be counted as provided in the general election laws, and after being so counted the result shall be published *pursuant to KRS Ch. 424* [at least once in the official newspaper of the city].

(8) The two applicants receiving the highest number of votes for nomination for mayor and two applicants receiving the highest number of votes for nomination for police judge, shall be thereby nominated. The eight applicants, in a city of the second or fourth class, or the four applicants, in a city of the third class, receiving the highest number of votes for nomination for commissioners shall be thereby nominated.

(9) The expenses of the primary election shall be paid by the city.

Section 62. KRS 89.545 is amended to read:

(1) Ordinances adopted by the board of commissioners of any city of the second class organized and governed under the city manager form of government shall be published in full *pursuant to KRS Ch. 424* [in the newspaper with the largest bona fide circulation published in the city] when they relate to the raising of revenue, the expenditure of public funds, or are police measures [that impose] *imposing* penalties for violations, *an* [except that in the case of any] ordinance adopting or enacting a standard United States Government

Code or a Commonwealth of Kentucky departmental code, [the ordinance as published] need not set such code forth at length, but may merely identify it by a suitable reference. Other ordinances need not be published in full, but the city clerk shall, within ten days after the adoption of an ordinance, cause to be published *pursuant to KRS Ch. 424* [in the newspaper with the largest bona fide circulation] an abstract thereof and shall incorporate therein sufficient information to constitute a description of the subject matter to which such ordinance relates.

(2) The provisions of subsection (6) KRS 84.100 shall not apply in cities of the second class organized and governed under the city manager form of government.

Section 63. KRS 89.590 is amended to read:

(1) Every ordinance or resolution ordering the construction or reconstruction of any street or sewer, or making or authorizing any contract involving the expenditure of more than one thousand dollars, in a city of the second or third class, or five hundred dollars in a city of the fourth class, or granting any franchise of the right to use or occupy the streets, highways, bridges or public places of the city for any except a merely temporary purpose shall, after its introduction and before its adoption, remain on file at least one week for public inspection in the completed form in which it shall be put upon its final passage. No such ordinance or resolution shall go into effect until the expiration of ten days after its passage, except when, in case of emergency, the public health or safety requires that it take immediate effect. The fact of emergency shall be declared by the unanimous vote of the board of commissioners.

(2) Before a city of the second class shall enter into any contract involving the expenditure of more than one thousand dollars, with the exception of a contract for professional services which shall not be let by competitive bidding, the board of commissioners shall by resolution specify the nature of the work to be contracted for, or the quality and quantity of the supplies or materials to be purchased, and authorize the city manager to advertise for and receive bids under seal for the execution of such work or the purchase of such supplies or material. The city manager shall advertise for bids by notice posted up at the city hall door and by *publication pursuant to KRS Ch. 424* [inserting notice of the request for bids in at least one issue of a daily newspaper published in the city, and the notices shall be published at least seven days prior to the opening of bids]. No bid shall be opened within ten days from the date on which the resolution is adopted, and no bid shall be received after the hour fixed for the opening of bids. All bids received by the city manager up to the time fixed by the resolution for the opening of bids shall be filed with the board of commissioners who shall let the contract to the lowest responsible

bidder. The city manager may, for and on behalf of the city, enter into any contract involving the expenditure of one thousand dollars or less, but in the event such contract involves the expenditure of more than five hundred dollars he shall advertise for bids in the manner provided in this subsection and let the contract to the lowest responsible bidder, except that such contracts for professional services shall not be let by competitive bidding. The board of commissioners or the city manager may reject all bids, in which event they may advertise for new bids in the manner provided in this subsection.

Section 64. KRS 89.620 is amended to read:

Whenever the question of passage of a proposed ordinance, or of the going into effect, repeal or amendment of an ordinance is to be submitted to the voters at an election, the board of commissioners shall cause the proposed ordinance or the ordinance and amendment, as the case may be, to be *published pursuant to KRS Ch. 424* [printed once in the official newspaper of the city and in such other newspapers as the board of commissioners may direct], before the election.

Section 65. KRS 89.680 is amended to read:

(1) Whenever the citizens of any city that has been organized and governed under the city manager form of government for a period of not less than four years desire that the organization and government of the city under the city manager form of government shall terminate, they shall file with the county judge of the county in which the city is located written petitions signed by a number of the legal voters of the city equal to twenty-five percent of the votes cast in the city at the last preceding general election. The county judge shall receive the petitions, and at the next regular term thereafter make an order on his order book directing an election to be held in the city at the next regular election that will be held not earlier than sixty days after the application is lodged with the judge, except that the election shall not be held at the same election at which commissioners are elected. The order shall direct the sheriff or other officer of the county who is appointed to hold the election to open the polls at each voting place in the city for the purpose of taking the sense of the qualified voters of the city upon the question as to whether or not they are in favor of the abandonment of the city manager form of government. The question to be submitted to the voters of a city of the second or fourth class shall be: "Shall the city of ______________________ abandon the city manager form of government?" The same question shall be submitted to the voters of a city of the third class, unless the petition filed with the county judge prays that the city manager form of government be abandoned and the commission form of government adopted, in which case the question shall be: "Shall the city of __________________ abandon the city manager form of

government and be organized and governed under the commission form of government?"

(2) The county clerk shall give to the sheriff or other officer appointed to hold the election a certified copy of the order of the county court as it appears on the order book, within five days after the order is made. The sheriff or other officer shall have the order published *pursuant to KRS Ch. 424* [in some weekly or daily newspaper published or circulated in the county for at least two weeks before the election], and shall advertise the order by handbills posted in conspicuous places in the city for the same length of time *that publication is required.* [If there is no weekly or daily newspaper published in the city, or if the proprietor of the paper refuses to publish the notice, the handbills shall be sufficient.] The sheriff or other officers shall have the advertisements published and notices posted within seven days after he receives the orders of the county court.

(3) The canvassing board shall certify the result of the election to the clerk of the county court and to the clerk of the city, and at the next regular term of court the county judge shall cause the certificate to be spread upon the order book of the court. The entry of the certificate on the order book, or copy thereof, shall be prima facie evidence of the facts therein contained.

(4) If a majority of the votes cast is in favor of the proposition submitted, and the certificate of the canvassing board has been spread upon the order book of the county court, the certificate delivered to the city clerk shall be spread upon the records of the city at the next regular meeting of the board of commissioners, and the city shall, upon the expiration of the terms of the commissioners then in office, cease to be governed by the city manager form of government, and shall thereafter be governed by the general laws applicable to that class of city, unless the vote, in the case of a city of the third class, was in favor of adopting the commission form of government, in which case the city shall thereafter be governed by the laws relating to commission form of government in cities of the third class.

Section 66. KRS 90.160 is amended to read:

(1) The board shall, after public notice and hearing, make, promulgate, and if and when necessary, amend, rules and regulations for the appointment, transfer, laying-off, reinstatement, deductions from pay, leave of absence, promotion, demotion, dismissal, and suspension, of all employes of the city in the classified service within the purview of KRS 90.110 to 90.240, including those who may hereafter be placed in the classified service pursuant hereto, and for the classification of such employes for appointment, promotion and transfer, and shall report its proceedings and rules to the mayor, legislative body, the director of public welfare, the director

of public health, and the director of safety of the city. Such rules shall, among other things, provide:

(a) For the standardization and classification of all offices, positions and employment in the classified service and the classification thereof into groups and subdivisions to be based upon and created according to the respective duties and responsibilities thereof, and shall be so arranged as to promote the filling of the higher grade as far as practicable by promotion.

(b) For open competitive tests to ascertain the relative fitness of all applicants for appointment to said offices, positions and places of employment in the classified service within the purview of KRS 90.110 to 90.240, including those which may hereafter be placed in the classified service pursuant hereto, and such tests shall be practicable and relate to matters which will fairly measure the relative fitness of candidates to discharge the duties of the positions or offices or places of employments to which they seek appointment. Notice of such tests shall be given *by publication pursuant to KRS Ch. 424* [not less than ten days in advance by public advertisement in at least one newspaper of general circulation in the city] and by posting notices in the city hall.

(c) For the creation of eligible lists upon which shall be entered the names of successful candidates in the order of their standing through examination; and for the filling of places in the classified service by the appointing authorities who shall select from not more than three candidates graded highest on the appropriate eligible list.

(d) For a period of probation not exceeding twelve months nor less than six months, before an appointment or employment is made a regular appointment.

(e) For reinstatement on the eligible list of persons who, without default or delinquency, are separated from the service.

(f) For promotion from the lower grades to the higher based on records of efficiency and seniority to be furnished by the appointing authority and kept by the board, or upon competitive promotion tests, or both.

(2) The enumeration of the foregoing subject matter of rules and regulations is not exclusive, and the board may make and promulgate such other reasonable rules and regulations as are necessary or desirable to the enforcement of and not inconsistent with KRS 90.110 to 90.240.

Section 67. KRS 90.320 is amended to read:

(1) The civil service commission shall prescribe and propound such examinations as *are* [may be] proper, commensurate with vacant

positions within the various departments of the city, according to classification prescribed by ordinance, shall set such times and places for holding examinations as may be proper and shall give public notice of examinations *by publication pursuant to KRS Ch. 424* [at least ten days in advance by causing a notice to be printed once in the official newspaper, containing all facts appertaining thereto, except as provided in subsection (5) of this section].

(2) The civil service commission shall, as soon after examinations as is practicable, certify to the mayor or other appointing authority a list of the applicants so examined, with the one having the highest average ranked first and all others ranked numerically according to the result of the examination.

(3) Every soldier, sailor, marine, members of the air forces, Army Nurses Corps and members of other branches of the military services and Red Cross nurses who served during the period of hostilities between the United States and the Central Powers in World War I and between the United States and Japan and Germany in World War II, who has been honorably discharged, is a resident voter of the city and who is an applicant for any position of civil service of that city shall be entitled to five percent increase on his examination mark.

(4) The civil service commission of cities of the second class shall maintain an eligible list of not less than three for each position to be filled.

(5) The appointing authority may designate certain civil service positions and prescribe that for such positions the examinations shall first be given exclusively to current employes; provided, however, that if less than three employes with a minimum of two years seniority achieve a passing grade, the examination shall be held in accordance with subsection (1) of this section.

Section 68. KRS 90.380 is amended to read:

(1) The city legislative body shall fix by ordinance the number and classification of city employes, and the salaries for each classification. When the number of employes and their classification has been fixed by ordinance, no employe shall be dismissed, suspended or reduced in grade or pay for any reason except that set out in KRS 90.360.

(2) Provided, further, that: Whenever in the exercise of a reasonable discretion, it shall be the judgment of the legislative body of the city that economic necessity requires it, or that there is no longer a need for a particular office or position to exist, the board of commissioners may abolish said office or position and any officer or employe occupying said office or position may be laid off or suspended until and if such office or position is recreated or reestablished. The

abolition of any office or position must not be a subterfuge to effect another purpose, but must be actual and bona fide and must not amount to the mere alteration, modification or abolition of title only.

(3) Should any officer or employe conceive that he has been aggrieved by the abolition or the proposed abolition of said office or position, he may, at any time within ninety days, file a petition in equity in the circuit court of the county wherein the city is located, stating his reason why the position or office has not been fairly abolished, or why it should not be abolished, and upon issue joined thereon by the city, the burden shall be on the latter to establish the necessity for and the good faith of the city in abolishing said office or position. The right to abolish and the right to have the office or position recreated shall be determined as other equitable actions are determined.

(4) If *the* [said] office or position *is* [be] recreated or reestablished within five years, then any person who was deprived of his office or position shall be restored to the office or position he formerly held or occupied in the order of his seniority if he shall elect to do so, and [it shall further be the duty of] the city *shall* [to] advise said officer or employe at his last known address and [to] advertise *pursuant to KRS Ch. 424* [at least once in the official newspaper or, if there be none, in any newspaper of general circulation in the city], that *the* [said] office or position has been recreated or reestablished.

Section 69. KRS 91.480 is amended to read:

(1) If no personal property is reasonably available out of which the tax bill can be collected by distraint, the tax receiver shall sell, for cash, a sufficient amount of the real property belonging to the taxpayer to pay the tax, penalties, interest and costs, subject to the provisions of KRS 91.550. The sale shall be at public auction, in the same manner that property is sold under execution, except that the sale shall be had at the door of the city hall of the city in which the land lies, and the land need not be appraised or levied on. The sale shall be advertised by posting fifteen days before the sale a written or printed notice at the city hall door, and by publication *pursuant to KRS Ch. 424* [at least four weeks prior to the day of sale by one insertion in a newspaper published in the English language in the city].

(2) The tax receiver shall, not less than fifteen days before the sale, mail to the taxpayer a postal card addressed to his residence or place of business, if it can be ascertained, notifying him of the time and place of the sale. In order to cover the cost of the advertisement and notification, the tax receiver shall collect a fee of two dollars from each person whose property is advertised, and shall pay the fee into the city treasury. In no event shall the city pay the fee.

(3) The failure of the tax receiver to send or of the taxpayer to receive the notice of sale required by subsection (2) of this section shall not invalidate the sale or any subsequent proceedings thereunder, and no levy or attempted levy upon personal property shall be necessary to validate any sale of real property, whether for taxes on real property, personal property or both.

Section 70. KRS 92.060 is amended to read:

(1) At its first regular meeting after its election, or as soon thereafter as practicable, the city council of each city of the fourth class shall elect a competent person as treasurer of the city, or, if the city council so provides by ordinance, the voters of the city shall elect the treasurer. If the treasurer is elected by the city council, he shall hold office for two years and until his successor is elected and has qualified, subject to removal for good cause at any time, and if the treasurer is elected by the voters he shall hold office for four years and until his successor is elected and has qualified.

(2) The treasurer shall take the Constitutional oath, and shall execute bond, with one or more sureties, to be approved by the city council.

(3) The treasurer shall receive and safely keep all money belonging to the city. He shall pay it out as directed by order of the city council, but only upon warrants drawn by the mayor and countersigned by the clerk of the city council. He shall keep an accurate account of all receipts and disbursements, showing when, from whom and to whom, for what purpose and on what account all city funds were received or paid, and shall exhibit the account so kept. At the first regular meeting of the city council each month the treasurer shall send his monthly report to the city council, which shall have it credited by the finance committee. Every three months he shall make a financial exhibit, giving an itemized statement of all receipts, with their sources, and an itemized statement of all disbursements, with their purposes, and shall have the exhibit entered upon the records of his office. He shall annually prepare *and publish the statement required by KRS 424.220* [a similar exhibit and have it published in some daily or weekly newspaper having a general circulation in the city]. He shall perform such other duties as are required of him by ordinance not inconsistent with law.

(4) The treasurer shall receive such compensation for his services as the city council provides.

Section 71. KRS 92.405 is amended to read:

In all cities of the second, third, or fourth class, whether operating under the councilmanic form of government or under the commission or city manager form of government, an annual audit of all the accounts of all city officers shall be made at the termination of each fiscal year. The legislative body of the city shall select, to make the audit, qualified public accountants who have no personal interest in the financial affairs of the city or of any of its officers or employes. The legislative body shall cause the complete report of the auditors to be published *pursuant to KRS Ch. 424* [in the newspaper with the largest bona fide circulation in the city], and in pamphlet form, and a copy of the report in pamphlet form shall be given to each voter who applies for it at the proper office. The legislative body may at any time provide for an examination or audit of the accounts of any officer or department of the city.

Section 72. KRS 92.430 is amended to read:

(1) The assessor in each city of the second class shall assess in one book all property subject to city taxation, and in making the assessment for any year shall assess any property subject to taxation that he finds to have been omitted in any former year.

(2) On or before July 1 of each year the city assessor shall give notice, by *publication pursuant to KRS Ch. 424* [advertisement in the official newspaper of the city] and by handbills posted *throughout* [through] the city, that all persons owning real estate on July 1 and all persons owning or having in their possession or under their control on July 1 any personal property subject to city taxation shall, before September 1 appear at the assessor's office and furnish him a true and complete list of the property, with its true cash value as of July 1, under oath, upon forms to be furnished by the assessor on application at his office, and that all merchants doing business in the city shall in like manner, in addition to listing their personal property, state the highest amount in value of all merchandise owned or kept on hand for sale by them during the three months next preceding July. The assessor and his deputies may administer oaths, and examine any person on oath concerning his real and personal property and its value, and may examine merchants on oath as to the statements required of them. The assessor may also gather information by other means.

(3) For the purpose of assessing property for taxation, the assessor shall keep his office open, with himself or a deputy in attendance, during the hours from 8 a.m. to 6 p.m., or such other or additional hours as are fixed by ordinance, from July 1 to September 1, except Sundays and legal holidays. The assessor shall constantly keep on hand, and furnish to persons lawfully requesting them, all necessary blanks and forms for the lists and statements required by this section.

(4) If any taxpayer is an artificial person, its chief officer or agent in the city at the time shall perform the duties imposed upon the taxpayer by this section.

(5) On and after September 1 of each year and until the date

fixed by ordinance for the closing of the assessment books, it shall be the duty of the assessor personally or through deputies to see in person or to call at the residence, usual place of abode or business place of all taxpayers who have not listed their property by appearing at the assessor's office for that purpose prior to September 1 or whose property is not well known to him, and the assessor or his deputies shall secure the assessment list by making such calls and shall view the property when practicable to do so.

(6) Any person who fails or refuses to supply the assessor or his deputies with a complete list of his property and the value thereon when called upon at his residence, usual place of abode or place of business may be subject to a fine to be fixed by ordinance but not exceeding fifty dollars.

(7) On or before December 1 of each year the assessor shall return to the auditor his assessment books, certified by him to be a full, careful and honest assessment of all property in the city subject to assessment. He shall take the auditor's receipt therefor in duplicate, and shall transmit one of the duplicates to each board of the general council at its first regular meeting in December. The assessment books and reports shall remain in the auditor's office, subject to public inspection, until transmitted to the board of equalization.

Section 73. KRS 92.440 is amended to read:

(1) The board of equalization of each city of the second class shall meet at a suitable place provided by the city on any date during the year in which property is listed by owners for taxation purposes, or on the first day of January in the next succeeding year, but not later than the last mentioned date. If the board shall met prior to the first Monday in January, the meeting date shall be fixed by ordinance. After taking office and electing a chairman and a clerk the board shall notify the auditor that it is ready to receive the assessment books, and the auditor shall then deliver them and take the receipt of the board therefor.

(2) The board shall compare the real estate assessments with the plat books in the auditor's office and see that every parcel of real estate in the city has been assessed. If it finds that any real estate has been omitted, it shall certify that fact to the city solicitor, giving the number of parcels omitted, and the city solicitor shall enforce against the assessor the penalty provided for in subsection (2) of KRS 92.990. The board shall assess the parcels omitted.

(3) The board shall hear and determine all complaints made against assessments. It shall increase or decrease assessments on like property in order to make all assessments uniform, or to place a true value on the property. It may, by a resolution or order signed by at least two members, increase or decrease all assessments of real estate

uniformly by adding or subtracting a percentage of the assessments, and need not give notice of such an increase except by publication *pursuant to KRS Ch. 424* [in the official newspaper of the city]. No increase of an assessment shall be made, except a uniform increase as above provided, without notice to the person whose assessment is to be increased.

(4) Where an assessment has been made against the property of a person who had actual notice to appear and list his property or make statements thereof but failed to do so, the board of equalization shall not decrease, but may increase, the assessment.

(5) The board shall remain in session as long as the business requires, but not for more than four weeks, unless the city legislative body, for cause stated, extends the time. The assessor shall be in constant attendance on the board and shall furnish all information possible.

(6) The board shall not change any assessment by erasure, but shall make all changes and additions in appropriate columns provided for that purpose, and shall use ink of a different color from that used by the assessor.

(7) When the board has completed its work it shall prepare, under the signatures of its members a statement showing the gross assessments of real property and of personal property, and the total of both, and the increase or decrease made by the board in the total assessment. The board shall return the statement to the city auditor, with all assessment books, plats and papers received from him, and shall take his receipt therefor.

(8) The city auditor shall carefully verify the statement of the board of equalization and the assessment books, and if they are correct he shall certify the statement. If he finds a mistake, he shall cause the board of equalization to meet, and together with the board shall ascertain the correct amount. The auditor shall transmit the statement of the board, certified by him as correct, to the city legislative body as a basis for the annual levy ordinance.

(9) Any taxpayer whose assessment has been raised or whose assessment upon his complaint has not, after proper showing been decreased by the board of equalization otherwise than by the uniform increase of assessments may, within thirty days after the final adjournment of the board, appeal to the quarterly court by filing with the clerk of that court a copy of the action of the board, certified by the clerk of the board. The clerk of the board shall furnish the taxpayer, on demand, with such a certified copy of the action of the board as is necessary for the appeal. Either party may appeal from the quarterly court to the circuit court and thence to the Court of Appeals as in other civil cases. Appeals to the quarterly court or circuit court shall

be tried without the intervention of a jury, and in case of appeals by the taxpayer the burden shall be upon the taxpayer to show that his property has been inequitably assessed. The cost of the appeals shall be adjudged against the unsuccessful party.

Section 74. KRS 92.580 is amended to read:

As soon as practicable after the supervisors of taxes in any city of the fourth class have corrected the assessment lists, they shall return the lists to the city clerk. The clerk shall, from the assessment lists, make out the tax bills for ad valorem and poll taxes for the year, in a stub-book to be devised by the city council for that purpose, and shall sign the bills and turn them over to the city collector or treasurer, as may be provided by ordinance, and take his receipt therefor, showing the number of bills so turned over and the aggregate amount thereof. The tax bills shall be endorsed by the collector or treasurer. Within ten days after receipt of the tax bills, and before July 1, and ten days before September 1, the collector or treasurer shall give notice *by publication pursuant to KRS Ch. 424,* [, by printed notice posted for ten days, in ten public places in the city, or published for ten days in a newspaper designated by the city council,] that the taxes for the current year are in his hands for collection and are due, and that in default of payment on or before the date fixed under subsection (4) or (6) of KRS 92.590, the penalty prescribed by ordinance will be attached.

Section 75. KRS 92.670 is amended to read:

On the second Monday in December of each year, or as soon thereafter as practicable, the treasurer of each city of the second class shall sell a sufficient amount of real property, whether encumbered or not, of each delinquent taxpayer to satisfy all unpaid taxes of the delinquent with interest and penalties thereon, and to pay two dollars for the cost of advertisement and sale. The sale shall be made to the highest and best bidder for cash at public auction, at or about noon, at the main entrance of the city building. One or more parcels of real property may be sold for all of the taxes owned by the delinquent, whether for taxes on the property sold or for taxes on other real or personal property. When a parcel of real property is offered for sale, the treasurer shall inquire whether any one will buy an interest therein less than the whole thereof, and pay the taxes, interest, penalty and costs thereon, and he shall sell only so much thereof or such an interest therein as will produce the amount required to be realized. If no on one will take less than the whole of the property and pay the taxes, interest, penalties and cost, the treasurer shall sell the whole of the property. If no one bids an amount equal to the taxes, interest, penalties and costs, the treasurer shall purchase the property for that amount. If one or more persons own a life estate or other particular estate in the property sold with remainder over to others, the treasurer shall first offer the particular estate for sale, and if no one will bid enough therefor to pay the taxes, interest, penalties and costs, he shall then sell the whole property. Except as otherwise provided in this section, the sale shall be made in the same manner that real property is sold by sheriffs under execution, but no levy or appraisal shall be necessary. If any person purchases at the sale, and then fails to pay for it, the treasurer shall immediately resell the property. Real property sold for delinquent taxes may be resold, in like manner, for taxes for succeeding years. If, for any reason, real property is not sold at the time fixed in this section, it may be advertised and sold at any time thereafter in the manner provided in this section. Before making any sale, the treasurer shall cause [three] notice[s] thereof to be published *pursuant to KRS Ch. 424* [in the official newspaper of the city during the two weeks just preceding the day of sale] showing the time, place and terms of the sale, the names of the delinquent taxpayers, the numbers of the tax bills, the total amount of taxes, interest, penalties and cost due on each bill, and a brief description of the property to be sold, by lot and block numbers as shown on the city maps or by other descriptions sufficiently accurate to identify each parcel. Within thirty days after the sale the treasurer shall cause to be delivered to each delinquent whose real property has been sold, or to his guardian or committee, or to his agent if the delinquent is a nonresident, a written notice of the sale, the time within which the property can be redeemed and the amount required to redeem it. If notice is not served within thirty days, it may be served as soon thereafter as practicable, but if the notice is not given six months before the expiration of the period of redemption that period shall be extended until six months after the service of the notice. Failure to give notice shall not defer the purchaser's right to possession as provided in subsection (1) of KRS 92.760. The notice may be executed by any police officer of the city or by any other person authorized by law to serve a notice. Any purchaser of property sold for taxes may cause the notice to be given with the same effect as if given by the treasurer. In either case the notice, with the officer's written return thereon showing the time and manner of service, shall be returned to the treasurer's office and recorded in a book provided for that purpose and preserved in that office. No deed shall be executed to a purchaser when notice has not been given as required. All money received by the treasurer for property sold for taxes, including money collected for costs, shall be promptly accounted for and paid over by the treasurer in the same manner as taxes collected without sale.

Section 76. KRS 92.690 is amended to read:

(1) If, in any city of the fourth class, a sufficient amount of personal property is not found, the collector or treasurer shall levy on a sufficient amount of the delinquent's real property to pay the taxes, penalties, interest and costs due. If no real property belonging

to the delinquent is found, the collector or treasurer shall levy on a sufficient amount of any real property owned by the delinquent on the date of assessment for the taxes.

(2) The collector or treasurer shall sell for cash any property levied upon under subsection (1) of this section, or a sufficient amount thereof to pay the taxes, penalties, interest and costs, in the same manner that property is sold under execution, except that the property shall be sold at the city hall and shall not be valued. The sale shall be advertised by posting, for fifteen days before the sale, a written or printed notice at the city hall, and by *publication pursuant to KRS Ch. 424* [publishing the notice once a week for four consecutive weeks prior to the day of sale in a newspaper published in the city, or if there is none in the city, then by printed handbills posted for fifteen days before the sale at the city hall and in three or more conspicuous places in the city]. The collector or treasurer shall, not less than fifteen days before the sale, mail to the delinquent a post card addressed to his place of residence or place of business, if it can be ascertained, notifying him of the time and place of sale. In order to cover the cost of advertisement and notification, the collector or treasurer shall collect one dollar from each delinquent whose property is advertised, and in no event, shall the city pay the cost of advertisement or notification.

(3) If no one will bid for and purchase the real property so offered for sale at the amount of the taxes, interest, penalties and costs, including the cost of advertising, the collector or treasurer shall purchase it for the city for that amount, less the cost of advertisement and notification, and shall make return to the city clerk of all sums collected. When the property is purchased for the city, the city attorney shall give notice of the purchase to the owner of the real estate, and when a person other than the city is the purchaser, such person shall, within thirty days after the sale, give written notice of the purchase to the owner of the real estate.

(4) Any purchaser, including the city, shall be entitled to possession of the real property at any time after the expiration of sixty days from the giving of the notice of the purchase.

Section 77. KRS 93.080 is amended to read:

(1) When the director of works orders any work done which, either by his order or according to law, is to be performed by independent contract, he shall prepare and place on file in the office of the department of public works complete drawings and specifications for the work.

(2) The director of works shall then have a notice published *pursuant to KRS Ch. 424,* [in one daily or weekly newspaper of general circulation published in the city, once in each week for two

weeks,] informing the public of the general nature of the work, that the drawings and specifications are on file, the nature and extent of the bond or security required, and calling for sealed proposals for the work by a day named in each notice not earlier than ten days after the first publication.

(3) The director shall let the contract to the lowest and best bidder. The contract shall be subject to the approval of the mayor. The director may reject any or all bids.

Section 78. KRS 93.430 is amended to read:

When improvements of the type contemplated by KRS 43.370, 93.380 or 93.410 have been made, and the contract completed, the director of works shall [, by one insertion in one of the daily newspapers published in the city,] give notice *by publication pursuant to KRS Ch. 424* of the time and place fixed for the inspection and reception of the work by the department of public works. The property owners concerned, or their agents and representatives, may appear and be heard as to whether the improvements have been made in accordance with the ordinance authorizing the improvements, and the contract therefor.

Section 79. KRS 93.480 is amended to read:

(1) After any improvement of a public way, or other work done in conformity with a law prescribing apportionments of special taxes, is completed, accepted, the cost apportioned, and an improvement tax assessed and levied on the property liable for payment, the director of finance shall give notice [by publishing on three separate days a notice] of the assessment and levy *by publication pursuant to KRS Ch. 424* [in a newspaper of general circulation in the city]. This notice shall require all persons to pay the improvement tax levied on their property within thirty days from the date of the assessment.

(2) The city legislative body may, by ordinance, provide that these taxes may, at the option of the property owners, be payable in cash without interest within thirty days, or in ten equal installments.

Section 80. KRS 93.560 is amended to read:

Improvement bonds shall be negotiable and exempt from all taxation. They shall not be sold for less than par and accrued interest. If no officer is made for the bonds equal to par and accrued interest, [after publishing in a daily newspaper of the city at least one advertisement of the sale of the bonds,] the city may, *after publishing notice pursuant to KRS Ch. 424 of the sale of the bonds*, turn them over to the contractor in full payment of the contract price of the improvement for which they are issued, and they shall be received by the contractor in full satisfaction thereof.

Section 81. KRS 93.570 is amended to read:

(1) Any premium realized from the sale of improvement bonds and any penalties collected on delinquent installments of improvement taxes shall go into the fund for the payment of the bonds and interest. The bonds and interest shall be payable exclusively out of the funds actually collected by the city on account of the improvement taxes in anticipation of which the bonds are issued, and the city shall in no event be liable on any bond except to the extent of funds actually paid to it.

(2) All bonds shall be subject to payment and redemption at any interest period that does not occur within four years from the date of the bond.

(3) The director of finance shall, when funds have accumulated from any assessment sufficient to redeem bonds in excess of the next series falling due, select by lot from the next succeeding issue falling due bonds of a par value equal to the excess in the fund. He shall publish an advertisement *pursuant to KRS Ch. 424* [at least once a week for four consecutive weeks prior to the next interest-paying date in a newspaper of general circulation in the city], stating the designation and numbers of the bonds so drawn and the fact that the bonds will be redeemed at their par value and accrued interest on the next interest-paying date. The bonds specified in the notice shall bear no interest after the date fixed for their redemption, and shall be paid when [so] presented for redemption. This provision shall be shown in substance on the bonds.

Section 82. KRS 93.910 is amended to read:

(1) For the purpose of providing the necessary funds for the acquisition of rights-of-way by purchase or by condemnation, and for the improvement of any arterial highway or any part or section thereof, as herein provided and contemplated, the director of works of said city shall prepare a map or maps showing the location of the particular arterial highway proposed to be improved, the extend and width thereof, the rights-of-way to be acquired, the estimated cost thereof, detailed plans, specifications and working drawings for said improvement and the estimated cost thereof, the total estimated cost of the entire project as contemplated, a map [or maps] showing the location of all property benefited as herein provided and the estimated cost per square foot to the lots to be assessed therefor, together with the names and addresses, if known, of all owners of property within the benefited area, and with such further recommendation, information and date as *the* [said] director of works may care to furnish the legislative body, or that *the* [said] legislative body [may] request*s* him to furnish.

(2) If the legislative body [shall] find*s* that the cost of the improvement does not exceed the benefits to the area to be assessed,

it shall by ordinance establish *the* [said] benefited area and assessment district as provided by KRS 93.880 to 93.950 but shall, however, divide the assessment area on each side of the arterial highway being improved into four assessment zones, the zones contiguous to the arterial highway or Zone One being restricted to a depth of two hundred feet, and the remaining portions of the assessment areas shall be divided into three parts each by zone limit lines drawn at one-third and two-thirds of the depth of the remaining portions of the assessment areas after the deduction of the Zone One areas, which additional zones shall be designed Zones Two, Zones Three and Zones Four, and shall levy an assessment tax against the owners of all of the lots of ground in each of the benefited areas or zones, according to the number of square feet owned by each of them, respectively, to cover the estimated total cost of the improvement. *The* [Said] tax to be equally apportioned against the owners of *the* [said] lots in the respective zones, except that the square foot assessment tax of the lots in Zones Two shall be twenty-five percent less than the square foot assessment tax of the lots in Zones One, the square foot assessment tax of the lots in Zones Three shall be fifty percent less than the square foot assessment tax of lots in Zones One and the square foot assessment tax of the lots in Zones Four shall be seventy-five percent less than the square foot assessment tax of the lots in Zones One.

(3) After the introduction of *the* [said] ordinance and its first reading by the legislative body, it shall cause notice to be published *pursuant to KRS Ch. 424* [in a newspaper having the largest circulation in said city, once a week for four consecutive weeks,] of the pendency of *the* [said] ordinance before *the* [said] legislative body, which notice shall include a brief statement of the boundaries of the benefited area and zones thereof and therein to be assessed, the amount per square foot of the proposed assessment tax for each zone, and such other informative matter as it deems desirable.

Section 83. KRS 94.090 is amended to read:

(1) In cities of the third and fourth classes the board shall keep a complete record of its proceedings, and shall enter upon its journal a record of the yeas and nays upon the passage of every resolution or order.

(2) In cities of the third class, immediately after the adjournment of each meeting, the proceedings shall be published *pursuant to KRS Ch. 424* [in some newspaper published in the city, to be designated by the board at the beginning of the year].

(3) In cities of the third class the members of the board shall have seats in the city council. They may take part in its proceedings on all questions relating to matters under their charge, subject to rules prescribed by ordinance, but shall not have the right to vote.

Section 84. KRS 94.283 is amended to read:

(1) Before any city may acquire, maintain or operate any such garbage disposal system, the legislative body of the city shall pass an ordinance declaring it desirable that this be done, and shall prepare an estimate of the probable cost of the system. If revenue bonds are to be issued to pay the cost the ordinances shall so provide. An election shall be had on the adoption of the ordinance if a number of legal voters of the city equal to twenty-five percent of the total number of votes cast in the city at the last regular election file a petition within ten days after the ordinance is passed asking that the question of approval of the ordinance be submitted to a vote of the people. If the petition is filed the election shall be held at the next regular election held in the city. If no petition is filed, the city may proceed immediately with the acquisition of a garbage disposal system.

(2) If an election is petitioned for, the presiding officer of the city shall certify the ordinance to the county court clerk, who shall cause to be printed on the ballots for use in the city the question: "Are you in favor of acquiring, maintaining and operating a garbage disposal system in accordance with the estimate of cost adopted by the ------------------- (here insert name of city) and the issuance of revenue bonds in the amount of $-------- (here insert total face amount of bonds estimated by the legislative body of the city to be necessary to pay the cost of the system, based upon the estimate of cost)." Opposite the question shall be printed "Yes" and "No", with the proper squares for stamping. The presiding officer of the city shall advertise the election and its object *by publication pursuant to KRS Ch. 424* [for at least seven days before the date of the election in the newspaper having the largest circulation in the city, or by handbills posted at not less than four conspicuous places in each voting precinct in the city and at the door of the City Hall]. All legal voters of the city may vote at the election.

(3) If an election is held, the city shall not acquire, maintain or operate the system or issue revenue bonds unless a majority of all the qualified voters voting on the question vote in favor thereof.

(4) Before revenue bonds are issued the legislative body of the city shall select the location of the system, prepare the necessary plans and specifications, and take all steps necessary in its judgment for the acquisition of the land, right of ways, constructions, franchises and easements necessary for the construction of the system.

Section 85. KRS 94.292 is amended to read:

(1) The legislative body of a city may, by ordinance, provide for the making and financing of any public improvement, as provided in KRS 94.291 to 94.325.

(2) Before the city legislative body adopts an ordinance providing for the making of a public improvement, it shall adopt a resolution designating the route or area of the proposed improvement, setting out in general terms the character and extent of the proposed improvement, and declaring the improvement to be a necessity. The resolution shall be published *pursuant to KRS Ch. 424,* [in at least one issue of a newspaper of general circulation in the city, at least thirty days] before the passage of the ordinance.

(3) Subject to the provisions of KRS 94.291 to 94.325, the city legislative body shall have full power to determine what public improvements shall be made, the extent and character of the improvement, the kind of material to be use, and the necessity for the improvement, and its determination shall be final. The city legislative body may do all things necessary to the proper execution and carrying out of any improvement.

Section 86. KRS 94.306 is amended to read:

(1) Before the commencement of work on any public improvement, for any portion of the cost of which an assessment is to be made against benefited property, the city legislative body shall advertise for bids *pursuant to KRS Ch. 424* and, except as provided in subsection (2) of this section, a contract for the work shall be let to the lowest and best bidder; however, the city legislative body may reject all bids and readvertise. [The advertisement shall be published in a newspaper of general bona fide circulation in the city, once a week for two consecutive weeks prior to the day set for opening the bids.] The city legislative body may require cash deposits or other guarantees from bidders to insure compliance with their bids, with forfeiture to the city if the accepted bidder fails to comply with his bid.

(2) The city legislative body may provide, in the ordinance providing for the making of any public improvement, that the city may do the work with its own forces and equipment. In that case the city shall prepare, prior to the opening of bids, an estimate of costs for the work, which estimate shall be read publicly at the time of opening the bids for the work, and which estimate must be itemized in the same classification as the bids. If the city's estimate is lower than any of the valid bids received, the city may then do the work with its own forces and equipment, and the costs as stated in the city's estimate shall not be exceeded in apportioning the cost thereof among the benefited property owners.

Section 87. KRS 94.309 is amended to read:

(1) When a public improvement has been made and the contract therefor completed, the city engineer, or, where the city does not have an engineer, such other officer as may be designated for the

purpose by the city legislative body, shall prepare a full and complete certificate of apportionment, showing the total cost of the improvement, the number of assessable units of benefited property, according to the basis of assessment as fixed pursuant to KRS 94.302, the cost per assessment unit, the names of the owners of the benefited property, the number of assessable units owned by each person, the proportionate part of the cost of the improvement to be assessed against the benefited property of each owner, and the proportionate part of the cost payable by the city. The certificate shall be delivered to the city clerk, to be by him transmitted to the city legislative body.

(2) Where the work on a public improvement has been done by contract, the city legislative body, upon receipt of the certificate of apportionment, shall designate a standing or special committee of the body, or the board of public works if there is one for the city, to inspect the work and report to the city legislative body as to whether the same should be accepted. The committee or board shall fix a time and place at which it will inspect the work. The city clerk shall then cause to be published *pursuant to KRS Ch. 424* [in one issue of a newspaper of general circulation in the city], a notice stating the time and place so fixed for inspection of the work. The property owners concerned, or their agents or representatives, may appear and be heard before the committee or board as to whether the improvement has been made in accordance with the ordinance authorizing the work and the contract therefor.

(3) When the committee or board designated to inspect the work is satisfied that the work should be accepted, it shall so report to the city legislative body. Thereupon the city legislative body shall consider the engineer's certificate of apportionment and the report of the committee or board which inspected the work, and may then accept the work and confirm the engineer's certificate of apportionment, or, if it is of the opinion that the work has not been done in accordance with the contract or that the certificate of apportionment is incorrect, it may require the contractor to complete the work in accordance with the contract or it may modify the apportionment of costs to conform to the facts, or both.

(4) The acceptance of the work and confirmation of the apportionment of cost shall be by ordinance, and the city legislative body shall, in the same ordinance, apportion the cost of the improvement, less such part as is to be paid by the city, among the owners of benefited property according to the basis of assessment fixed in the original ordinance providing for the improvement, and shall levy a tax upon each lot or parcel of benefited property for the amount of the cost apportioned thereto. An abstract of the ordinance shall be published *pursuant to KRS Ch. 424* [in the manner provided by law for general ordinances of the city].

(5) At the same time the ordinance of apportionment and levy is published, or within one week thereafter, the city treasurer shall give notice, by publication *pursuant to KRS Ch. 424* [in one issue of a newspaper of general bona fide circulation in the city], requiring all property owners to pay the improvement tax levied upon their property within thirty days after the day of publication of the abstract of such ordinance.

Section 88. KRS 94.500 is amended to read:

(1) The city legislative body of cities of the second class, upon petition signed by a majority of the resident property owners, may at any regular meeting adopt a resolution or resolutions designating certain public ways to be surface-treated with bituminous or other dust-laying material. The resolutions shall be published *pursuant to KRS Ch. 424* [for two weeks in some newspaper of daily circulation published in the city], the contents of which notice shall indicate the public ways so designated. The power conferred by this section may be exercised as often as the city legislative body deems for the best interest of the general public.

(2) The treatment of the public ways, except intersections, shall be made at the exclusive cost of owners of real estate abutting on the public ways so treated, to be apportioned among and assessed upon the lots or parcels of real estate abutting, according to the number of front abutting feet. The city shall pay the cost of treatment of intersections, and may in the resolution provide that the city shall pay any portion or all of the cost of treatment, in addition to paying for the cost of treatment of intersections. No property shall be exempt from the improvement tax. There shall be a lien upon the real estate for the part of the cost assessed thereon.

Section 89. KRS 94.530 is amended to read:

(1) The city legislative body in cities of the fourth and fifth classes may have the streets and alleys oiled, and the city legislative body in cities of the sixth class may have the streets oiled, as it deems to the best interest of the general public.

(2) It may, at a regular meeting, designate by resolution the public ways to be oiled. [In cities of the fourth and fifth classes the] *The* resolution shall be published *pursuant to KRS Ch. 424* [for two weeks in some paper published in the city, or notices shall be posted in at least eight conspicuous places in the city,] stating the public ways to be oiled. [In cities of the sixth class the resolution shall be published for two consecutive weeks in some paper of general circulation published in the city, or if none then copies of the resolution shall be posted in at least six conspicuous places in the city, stating the public ways to be oiled, the time the oiling is to be done, the approximate cost, and the part to be paid by abutting property owners.]

Section 90. KRS 95.180 is amended to read:

(1) If any property in the custody of the property clerk is desired as evidence in any criminal court, such property shall be delivered to any officer who presents an order to that effect from the court. Such property shall not be retained in the court, but shall be returned to the property clerk.

(2) All property that remains in the custody of the property clerk for three months, without any lawful claimant thereto, may be sold at public auction in a suitable room designated for such purpose, after *being* [having been] advertised *pursuant to KRS Ch. 424* [for ten days]. The proceeds of such sales shall be paid into the department of public finance of the city to the credit of the police department.

Section 91. KRS 95.435 is amended to read:

(1) The police department in cities of the second class, shall take charge of property, within their jurisdiction, alleged to be or suspected of being the proceeds of crime, property taken from the person of a prisoner, lost or abandoned property taken into the custody of any member of the police force or criminal court, and property taken from persons supposed to be insane, intoxicated or otherwise incapable of taking care of themselves. The officer or court having custody of such property shall as soon as practicable deliver it into the custody of the police department.

(2) All such property shall be particularly described and registered by the police department in a book kept for that purpose, containing the name of the owner, if ascertained, the place where found, the name of the person from whom taken, with the general circumstances, the date of its receipt, the name of the officer recovering the property, the names of all claimants thereto, and any final disposition of the property. The police department shall advertise the property *pursuant to KRS Ch. 424*, for the information of the public as to the amount and disposition of the property.

(3) If any property in the custody of the police department is desired as evidence in any criminal court, such property shall be delivered to any officer who presents an order to that effect from the court. Such property shall not be retained in the court, but shall be returned to the police department.

(4) All property that remains in the custody of the police department for three months, without any lawful claimant thereto, may be sold at public auction in a suitable room designated for that purpose, after having been advertised *pursuant to KRS Ch. 424* [for ten days]. The proceeds of such sales shall be paid into the police and firemen's pension fund of said city.

Section 92. KRS 95.764 is amended to read:

The [Said] civil service commission shall conduct an examination of persons for appointment as members of the police and fire departments each time a vacancy shall occur in said departments. The mayor shall notify the commissioners each time a vacancy occurs in either of said departments and *the* [said] commissioners shall within the two weeks following the receipt of such notice hold an examination for persons seeking appointment to such vacancy after giving notice *by publication pursuant to KRS Ch. 424* [at least five days prior to the holding of such examination in some newspaper of general circulation in the city]. Within one week following the holding of said examination, said commissioners shall certify to the legislative body the names of the three persons receiving the highest grades. The legislative body may appoint any one of said three persons to said department. [Provided, however, that] *I*n the event a vacancy thereafter occurs in said department, or additions thereto of regular or substitute policemen or firemen are made, within one year following the certification of said names, the legislative body shall fill said vacancy or make such additions from the list of names certified. The commissioners shall make all rules and regulations for the proper conduct of their office. The civil service commissioners shall receive a salary each of one dollar per annum, paid out of the city's general fund, and for their services and the expense of holding any one examination by the commissioners after due notice by the mayor has been given to the chairman of the said commission that a vacancy occurs in either of said departments and after the eligible list has been exhausted, shall be paid by the legislative body out of the city's general fund, not to exceed ten dollars.

Section 93. KRS 96.060 is amended to read:

(1) The legislative body of any city of the third class may, by ordinance, grant the right of way in streets, alleys and public grounds of the city to any railway, street railway, gas, water, steam heating, telephone or electric light or power company for a term not exceeding twenty years. Before granting such privilege, the city shall, after advertising *by publication pursuant to KRS Ch. 424* [for not less than thirty days in some newspaper published in the city], receive bids publicly, and award the privilege to the highest and best bidder, having the right to reject any and all bids.

(2) The city shall reserve the right to regulate and control the tracks, pipes and wires of such companies, and the public ways in which they are laid or constructed, and shall reserve the right to require any such company to conform to any changed grades of the streets and public grounds, to pay the cost of improving between its rails and for a reasonable distance on either side of its rails, to make culverts beneath them for the free flow of water,

to change its rails, or mode of construction or operation, to suit public convenience, to raise or lower its pipes, or to take down its wires and lay them underground, as the public good [may] requires.

(3) The city shall not be liable for the cost or damage occasioned by such changes, or for any damage for delay in the operation of the business of any such company occasioned by any street improvement or repairs, or the constructing, bursting or repairing of any sewer or pipe in or across any street, alley or public ground, or for injury by any mob or other violence.

(4) All such grants shall expire and become voidable, at the option of the city, although a consideration has been paid, unless a bona fide organization has taken place and business has been commenced and prosecuted under the grant in good faith within one year from the date of the grant. The legislative body may impose other conditions and terms in addition to and not inconsistent with those enumerated in this section. The provisions in this section as to advertisements and bids, and limitation of the grant to twenty years, shall not apply to the grant of the right of way to a truck railway.

Section 94. KRS 96.183 is amended to read:

The governing body of the municipality may terminate the operation and management of the electric and water plant by the board under the provisions of KRS 96.171 to 96.188 only by first complying with the following provisions, to wit:

(1) The governing body of the municipality, upon the adoption of an ordinance declaring the desire of the municipality to terminate the operation of the electric and water plant by the board under the provisions of KRS 96.171 to 96.188, may direct that such question be submitted to an election of the qualified voters of the municipality. The mayor shall certify such ordinance to the clerk of the county court, who shall, on the ballots provided for use in the general November election in the municipality (if however there is no municipal election a separate ballot shall be provided), have printed thereon the question: "Are you in favor of the termination of the operation and management of the electric and water system of the city by the Electric and Water Plant Board?" Opposite the question, the words "Yes" and "No", with proper squares for stamping the cross mark to indicate preference, shall appear.

(2) The mayor of such municipality shall advertise such election and the object thereof *by publication pursuant to KRS Ch. 424* [at least forty-five days next before the date of such election in a newspaper having the largest circulation in the city], and also by printed handbills posted in not less than four conspicuous places in each voting precinct in the city and at the courthouse door. All legal voters of such city shall be privileged to vote at such election.

(3) If two-thirds of all the qualified voters of the municipality voting in said general election on the question shall vote in the affirmative, the governing body of the municipality may adopt an ordinance rescinding its election to operate under the provisions of KRS 96.171 to 96.188, and the board, on the first day of the month following the passage and approval of such ordinance, shall by resolution transfer the operation of the electric and water plant to the governing body of the municipality.

Section 95. KRS 96.184 is amended to read:

(1) The board at any time may issue and sell revenue bonds to finance improvements or extensions of the plant, or the board, after the original cost of the property shall have been fully paid and satisfied, may, in its sole discretion, issue, sell, and pledge its revenues to secure the payment of revenue bonds the proceeds of which are to be used to finance the acquisition, construction, maintenance, improvement, addition to and operation of "public projects" as defined in KRS 96.182, or for the purpose of purchasing, paying, retiring, guaranteeing the payment of or underwriting revenue bonds issued by the city or any agency thereof to finance the acquisition, construction, maintenance, improvement, addition to and operation of such "public project", and sell refunding bonds for the purpose of providing for the payment of any outstanding bonds.

(2) Bonds issued pursuant to KRS 96.171 to 96.188 may be issued in one or more series, may bear such date or dates, may mature at such time or times, not exceeding forty years from their respective dates, may be in such denomination or denominations, may be in such form, either coupon or registered, may carry such registration and conversion privileges, may be executed in such manner, may be payable in such medium of payment, at such place or places, may be sold in such blocks, may be subject to such terms of purchase or redemption of all or any of said bonds before maturity in such manner and at such price or prices, not exceeding one hundred and five and accrued interest, as may be fixed by the board by resolution prior to the sale of the bonds.

(3) All revenue bonds issued pursuant to the provisions of KRS 96.171 to 96.188 in the hands of bona fide holders shall have all the qualities and incidents of negotiable instruments under the law merchant. All bonds shall be sold to the highest responsible bidder at such time and place as shall have been fixed by the board in the notice of sale of said bonds, which notice shall have been advertised *by publication pursuant to KRS Ch. 424* [once each week for at least two consecutive weeks in a newspaper of general circulation in said municipality]. The board shall receive written, sealed competitive bids, which shall be publicly opened and read at the time and place specified in the notice of sale. The board may reject all

bids and readvertise. No revenue bonds shall be sold for less than par, and no bonds shall bear interest at a rate in excess of six percent per annum, interest payable semi-annually.

(4) No holder or holders of any revenue bonds issued under KRS 96.171 to 96.188 shall have the right to compel any exercise of taxing power of the municipality to pay the bonds or the interest thereon. Each bond issued under KRS 96.171 to 96.188 shall recite in substance that the bond, including interest thereon, is payable solely from the revenues pledged to the payment thereof, and that the bond does not constitute a debt of the municipality within the meaning of any statutory or constitutional provision or limitation.

(5) Any holder or holders of bonds issued pursuant to KRS 96.171 to 96.188 shall have the right, in addition to all other rights:

(a) By action in court, to enforce his or their rights against the board, and any other proper officer, agent or employe, including, but without limitation the right to require the board, and any proper officer, agent or employe thereof, to fix and collect rates and charges adequate to carry out any agreement as to, or pledge of, revenues from the plant, and to require the board and any officer, agent or employe thereof, to carry out any other covenants or agreements and to perform its and their duties under KRS 96.171 to 96.188.

(b) By action in equity, to enjoin any act or thing which may be unlawful or a violation of the rights of such holder of bonds.

(6) If there is a default in the payment of the principal or interest of any bonds issued pursuant to KRS 96.171 to 96.188, any court having jurisdiction may, upon the petition of the holders of not less than twenty-five percent of the outstanding bonds, appoint a receiver to administer said electric plant on behalf of the board, with power to charge and collect rates sufficient to provide for the payment of any bonds or obligations outstanding against the plant and for the payment of the operating expenses and to apply the income and revenues in conformity with KRS 96.171 to 96.188.

(7) All bonds issued pursuant to KRS 96.171 to 96.188, bearing the signatures of officers in office on the date of the signing thereof, shall be valid and binding obligations, notwithstanding that before the delivery thereof and payment therefor, any or all the persons whose signatures appear thereon shall have ceased to be members of the board issuing the same. The resolution of the board authorizing the issuance of the bonds shall contain a recital that the revenue bonds are issued pursuant to KRS 96.171 to 96.188, which recital shall be prima facie evidence of their validity and of the regularity of their issuance.

(8) Bonds may be issued under KRS 96.171 to 96.188, without respect to the provisions of any laws requiring the prior approval of any court, commission, board or regulatory authority.

(9) All moneys received from the sale and issuance of bonds shall be used solely for the purpose for which such bonds were issued, except that any premium received for said bonds may be used for the payment of interest and principal of said bonds.

Section 96. KRS 96.360 is amended to read:

(1) One or more waterworks, owned by one or more persons, may be acquired as a single enterprise, and the city legislative body may agree with the owner as to the value of the waterworks and purchase it at such value, after giving forty-five days' notice by publishing the agreement of purchase, *pursuant to KRS Ch. 424* setting out the price, interest rate, condition of plant, possible depreciation and repairs, [in all the newspapers of general circulation published in the city, or if no newspaper of general circulation is published in the city, then in all the newspapers of general circulation published in the county in which the city is located, or if no such newspaper is published in the city or county, then by posting large posters, setting out the above details, in ten or more prominent places in the city].

(2) If, within the period of forty-five days, a petition calling for an election on the proposition is filed with the county clerk of the county, signed by twenty-five percent of the qualified voters of the city who voted at the last preceding regular election, stating the residence of each signer and verified as to signatures and residence by the affidavits of one or more persons, an election shall be held on the proposition. Notice of the election, setting forth the price, terms of bonds, interest, general repairs and condition of plant and nature of the election, shall be given *by publication pursuant to KRS Ch. 424* [in the same manner that notice of the purchase agreement is required to be given]. The election shall be held at the next November election held more than forty-five days after the time of *the* [such] publication. The question to be submitted to the voters on the ballot at the election shall be: "Are you in favor of the city of__________________________________purchasing ____________________________at the price of ____________________?" The purchase shall not be consummated unless a majority of the qualified voters voting on the proposition vote in favor of the purchase.

Section 97. KRS 96.540 is amended to read:

(1) Except as provided in KRS 96.171 to 96.188, inclusive, no city of the second, third, fourth, fifth or sixth class that owns a waterworks system or lighting system by gas or electricity, shall sell, convey, lease or encumber the system or the income therefrom without the assent of a majority of the total number of legal voters of the city voting at an election held for that purpose, after [sixty consecutive days'] notice of the election [next before the date of

the election] has been published *pursuant to KRS Ch. 424* [in the newspaper having the largest circulation in the city]. [If, in the case of a city of the fourth, fifth or sixth class, no newspaper is published in the city, notice shall be given by handbills posted up in at least ten public places in the city for not less than sixty days prior to the date of the election.]

(2) In the case of a city of the fourth, fifth or sixth class the election shall be ordered and the election officers shall be selected by the city legislative body, the ballots shall be provided by the city clerk and a tabulation of the vote shall be done by the city legislative body in the presence of the mayor; in all other respects the election shall be conducted under the regular election laws.

(3) This section *does* [shall] not apply to the issuance of revenue bonds under the provisions of KRS 96.350 to 96.520.

Section 98. KRS 96.543 is amended to read:

(1) Before any city may acquire, maintain or operate any such artificial gas system, the legislative body of the city shall pass an ordinance declaring it desirable that this be done, and shall prepare an estimate of the probable cost of the system. If revenue bonds are to be issued to pay the cost the ordinance shall so provide. An election shall be had on the adoption of the ordinance if a number of legal voters of the city equal to twenty-five percent of the total number of votes cast in the city at the last regular election file a petition within ten days after the ordinance is passed asking that the question of approval of the ordinance be submitted to a vote of the people. If the petition is filed the election shall be held at the next regular election held in the city. If no petition is filed, the city may proceed immediately with the acquisition of an artificial gas system.

(2) If an election is petitioned for, the presiding officer of the city shall certify the ordinance to the county court clerk, who shall cause to be printed on the ballots for use in the city the question: "Are you in favor of acquiring, maintaining and operating an artificial gas system in accordance with the estimate of cost adopted by the ________________________ (here insert name of city) and the issuance of revenue bonds in the amount of $_____________ (here insert total face amount of bonds estimated by the legislative body of the city to be necessary to pay the cost of the system, based upon the estimate of cost)." Opposite the question shall be printed "Yes" and "No", with the proper squares for stamping. The presiding officer of the city shall advertise the election and its object *by publication pursuant to KRS Ch. 424* [for at least seven days before the date of the election in the newspaper having the largest circulation in the city, or by handbills posted at not less than four conspicuous places in each voting precinct in the city and at the door

of the City Hall]. All legal voters of the city may vote at the election.

(3) If an election is held, the city shall not acquire, maintain or operate the system or issue revenue bonds unless a majority of all the qualified voters voting on the question vote in favor thereof.

(4) Before revenue bonds are issued the legislative body of the city shall select the location of the system, prepare the necessary plans and specifications, and take all steps necessary in its judgment for the acquisition of the land, right of ways, constructions, franchises and easements necessary for the construction of the system.

Section 99. KRS 96.640 is amended to read:

(1) Before any municipality shall have authority to (a) construct or cause to be constructed an electric plant, (b) acquire an electric plant by purchase, or (c) institute condemnation proceedings for acquiring by eminent domain an electric plant, or (d) issue revenue bonds for the construction, purchase, or acquisition of an electric plant, the question shall be submitted to the qualified voters of the municipality as hereinafter in this section provided.

(2) Before any municipality shall be authorized or empowered to purchase or establish and thereafter operate an electric plant, or to issue bonds therefor, the legislative body of such municipality shall pass an ordinance declaring it desirable that the municipality shall purchase or construct and operate a municipal electric plant, and if it is proposed to construct such electric plant, the board shall cause an engineer or engineers duly qualified and licensed under the laws of this Commonwealth (a) to prepare the necessary and proper plans and specifications for the construction of the electric plant, (b) select the location therefor, (c) determine the size, type and method of construction thereof, (d) make the necessary estimates of the cost of construction and of the acquisition of the land and right of ways, and (e) a survey of all lands, structures, right of ways, franchises and easements, the acquisition of which is deemed necessary by said engineers and the board for the construction and operation of such municipal electric plant, all of which shall be approved by the board; and, provided further, that the question of whether or not revenue bonds shall be issued to provide for the payment of the cost thereof shall be submitted to the qualified voters of such municipality at the next regular November election to be held in said municipality. The mayor shall certify such ordinance to the clerk of the county court, who shall, on the ballots provided for use in the general November election in the municipality (if however there is no municipal election a separate ballot shall be provided) in which it is proposed to construct such electric plant and issue revenue bonds for the payment of the cost thereof, have printed thereon the question: "Are you in favor of the

city constructing and operating a municipal electric plant in accordance with the plans and specifications adopted by the Electric Plant Board of ________________ (here insert name of municipality) and the issuance of revenue bonds in the maximum amount of $________ (here insert maximum total face amount of bonds estimated by the board to be necessary to pay the cost of such plant, based upon the estimate hereinabove provided)." And opposite the question he shall print "Yes" and "No", with the proper squares for stamping the cross mark to indicate preference.

(3) The mayor of such municipality shall advertise such election and the object thereof *by publication pursuant to KRS Ch. 424* [at least forty-five days next before the date of such election in the newspaper having the largest circulation in the city], and also by printed handbills posted in not less than four conspicuous places in each voting precinct in the municipality and at the courthouse door. All legal voters of such municipality shall be privileged to vote at such election. The city shall have no authority to construct a municipal electric plant, or to issue revenue bonds unless a majority of all the qualified voters voting in said election on this question vote in favor thereof.

(4) Any contract of a municipality for the purchase of an electric plant shall be conditioned upon the approval of the qualified voters of the municipality at an election held at the time and in the manner provided in subsections (2) and (3) of this section, except that the clerk shall have printed on the official ballots for the election the following: "Are you in favor of the City of ___________ purchasing from ____________ (insert the name of owner or owners) an electric plant at the price of $________ (herein insert the amount of the agreed purchase price) and the issuance of revenue bonds in the amount of $__________ (herein insert total face amount of bonds required to pay the agreed purchase price)." And opposite the question, he shall print "Yes" and "No", with the proper squares for stamping the cross mark to indicate preference.

(5) Before any municipality shall be authorized or empowered to institute condemnation or eminent domain proceedings to acquire an electric plant, the legislative body of such city shall pass an ordinance declaring it desirable that the municipality shall acquire by condemnation an electric plant, and shall describe in the ordinance the property which it deems necessary to be acquired, and there shall be submitted, in the manner provided in subsections (2) and (3) of this section, to the qualified voters of the municipality at the next regular November election, the following question: "Are you in favor of the City of ________________ (here insert name of city) acquiring an electric plant by the exercise of the power of eminent domain and the issuance of revenue bonds in an amount sufficient to pay the entire damages and cost of such acquisition." Opposite the ques-

tion shall be printed "Yes" and "No", with the proper squares for stamping the cross mark to indicate preference.

(6) No municipality or board shall have authority to purchase, construct, or acquire, or to institute condemnation proceedings for acquiring an electric plant, or to issue revenue bonds or other obligations or evidences of indebtedness for the payment of the costs thereof unless a majority of all the qualified voters voting in said election on the question vote in favor thereof. Elections held pursuant to the provisions of KRS 96.550 to 96.900 shall be governed by the laws of this state relative to elections to the extent that such laws are not inconsistent herewith.

Section 100. KRS 96.690 is amended to read:

(1) Bonds issued pursuant to KRS 96.550 to 96.900 may be issued in one or more series, may bear such date or dates, may mature at such time or times, not exceeding forty years from their respective dates, may be in such denomination or denominations, may be in such form, either coupon or registered, may carry such registration and conversion privileges, may be executed in such manner, may be payable in such medium of payment, at such place or places, may be sold or hypothecated in such blocks, may be subject to such terms of repurchase or redemption of all or any of said bonds before maturity in such manner and at such price or prices, not exceeding one hundred and five and accrued interest, as may be fixed by the board prior to the sale of the bonds.

(2) The board at any time may issue and sell revenue bonds to finance improvements or issue and sell refunding bonds for the purpose of providing funds for the payment of any outstanding bonds issued in accordance with the provisions of KRS 96.550 to 96.900. Such new bonds shall be issued, sold, and secured in accordance with the provisions of KRS 96.550 to 96.900 for the issuance of the original revenue bonds, except no election shall be necessary or required to ascertain the will of the voters of the city. Should the board find that the bonds originally authorized will be insufficient to accomplish the purpose desired, additional bonds may be authorized and issued, subject to the same procedure and conditions as original revenue bonds.

(3) All revenue bonds issued pursuant to the provisions of KRS 96.550 to 96.900 in the hands of bona fide holders shall have all the qualities and incidents of negotiable instruments under the law merchant. All bonds shall be sold to the highest responsible bidder at such time and place as *has* [shall have] been fixed by the board in the notice of the sale of said bonds, which notice *has* [shall have] been advertised *by publication pursuant to KRS Ch. 424* [once each week for at least two consecutive weeks in a newspaper of general circulation in said municipality]. The board shall receive

written, sealed, competitive bids, which shall be publicly opened and read at the time and place specified in the notice of sale. The board may reject all bids and readvertise. No revenue bonds shall be sold for less than par, plus accrued interest, and no bonds shall bear interest at a rate in excess of six percent per annum, interest payable semiannually.

(4) After revenue bonds have been offered for sale by the board, as in this section provided, if no bid satisfactory or acceptable to the board is received, the board may sell, issue and deliver said bonds to any Federal governmental agency upon such terms, not in conflict with the provisions of KRS 96.550 to 96.900, as may be agreed upon between the board and such Federal governmental agency; but the price paid therefor shall not be less than the bid price received from the highest responsible bidder.

Section 101. KRS 96.919 is amended to read:

The First Ordinance shall be published *pursuant to KRS Ch. 424* [as ordinances are required to be published, or if there is no local requirement of publication, it shall be published one time in a newspaper published in the city, or notice shall be by handbills generally circulated throughout the city]. A certified copy of the First Ordinance shall be delivered to the county judge or county court clerk of each county in which any area affected by the ordinance outside the city may be situated, and the county judge, or county court clerk, shall, upon receiving the same, cause it to be posted at the county courthouse door, as in the case of notices of judicial sales of real property.

Section 102. KRS 99.050 is amended to read:

(1) A planning commission may approve a development plan, but no certificate of approval thereof shall be issued by it unless and until an application for approval has been filed with it, together with the development plan, and unless and until, after a public hearing before it, notice of which hearing giving the time, place and purpose of the hearing shall be *given by publication pursuant to KRS Ch. 424* [published twice a week for two consecutive weeks next before the date of hearing in a daily newspaper of general circulation in the city in which the proposed development area is located], and by one or more handbills posted up in the area sought to be redeveloped giving the time, place and purpose of the hearing, the planning commission finds:

(a) That the area within which the development area is included is substandard or insanitary and that the redevelopment of the development area in accordance with the development plan is necessary or advisable to effectuate the public purposes declared in KRS 99.020;

(b) That the development plan is in accord with the master plan, or city map, if any, of the city;

(c) That the development area is of sufficient size to allow its redevelopment in an efficient and economically satisfactory manner;

(d) That the various stages, if any, by which the development is proposed to be constructed or undertaken, as stated in the development plan, are practicable and in the public interest;

(e) That public facilities, including, but not limited to school, fire, police, transportation, park, playground and recreation, are presently adequate, or will be adequate, at the time that the development is ready for use, to service the developmnt area;

(f) That the proposed changes, if any, in zoning ordinances or maps and in streets and street levels, or any proposed street closing, are necessary or desirable for the development and its protection against blighting influences and for the city as a whole; and

(g) Upon the data submitted by or on behalf of the redevelopment corporation, or upon data otherwise available to the planning commission, that the carrying into effect of the development plan will not cause undue hardship to the families, if any, occupying dwelling accommodations in the development area to such a degree as to outweigh the public purpose defined in KRS 99.020.

(2) Any such findings shall be conclusive evidence of the facts so determined except upon proof of fraud or willful misfeasance. In arriving at such determination, the planning commission shall consider only those elements of the development plan relevant to such determination under paragraphs (a) through (g) of subsection (1) of this section and to the type of development which is physically desirable for the development area concerned from a city planning viewpoint, and from a neighborhood unit view point if the development plan provides that the development area is to be primarily residential. Upon approval of a development plan by the planning commission, it shall forthwith issue a certificate of approval thereof.

(3) Such planning commission may state general standards of city and neighborhood unit planning to which a development plant should conform to be approved by it. Such standards, however, shall be as flexible as possible and only for the guidance of prospective proponents of development plans. Variations therefrom shall be freely allowed upon a showing of their advisability, to the end that individual initiative be encouraged.

Section 103. KRS 99.210 is amended to read:

(1) A redevelopment corporation may, whether before or after the certificates of approval of its development plan required by KRS 99.040 to 99.060 have been issued, acquire real property or secure options in its own name or in the name of nominees to acquire real property, by gift, grant, lease, purchase or otherwise.

(2) Such city may, upon request by a redevelopment corporation, and after a certificate of approval of condemnation with respect to the real property in question has been issued pursuant to KRS 99.220, acquire, or obligate itself to acquire, for such redevelopment corporation, any real property included in such certificate of approval of condemnation, by condemnation. Real property acquired by such city for a redevelopment corporation shall be conveyed by such city to the redevelopment corporation upon payment to the city of all sums expended or required to be expended by the city in the acquisition of such real property.

(3) In connection with the activities and projects of redevelopment corporations, the city may apply for, receive, and accept grants-in-aid, gifts, credits, and all other aid and in all forms, whether similar to or dissimilar from those particularly enumerated, from the Federal government, which embraces the United States of America, its agencies and instrumentalities, or from the Commonwealth of Kentucky, its agencies and instrumentalities or from both, under such lawful contracts, terms, and conditions, as may be agreed upon.

(4) In order to further the accomplishment of the purposes of KRS 99.010 to 99.310, and in addition to the powers heretofore or which may hereafter be granted to it, the city may, as an alternate method of acquiring by gift, purchase, or condemnation, and selling and transferring real property to a redevelopment corporation, by ordinance or ordinances, proceed as follows:

(a) From time to time designate an area within such city as under consideration for development under the provisions of KRS 99.010 to 99.310 and provide for consultation with and aid from any and all city departments, commissions, officers, employes, agencies, and instrumentalities, relating to the initiation of the project.

(b) Apply for and receive gifts, grants, credits, and obtain loans for the accomplishment of each development or developments generally, and obligate such city to supervise the application of such funds for such purpose or purposes, and also accept gifts, grants, conveyances and leaseholds within such area or areas, and to provide funds, where necessary, to obtain gifts, grants, credits or loans from the Federal government, its agencies and instrumentalities, or from the Commonwealth of Kentucky, its agencies and instrumentalities, or from both or any other agency under such lawful contracts, terms and conditions as may be agreed upon.

(c) Appropriate funds acquired under paragraph (b) or by taxation for the acquisition of all or any part or parts of the property in each such area for development under KRS 99.010 to 99.310 by purchase and by condemnation, and for the clearance of all or any part or parts of the property owned by or thus acquired by such city. Such condemnation shall be under the provisions of KRS 99.010 to 99.310, but the city may waive request for condemnation or deposit or obligation to furnish the funds, as set out in KRS 99.230.

(d) Advertise for the submission of development plans for such designated area by a redevelopment corporation under the provisions of KRS 99.010 to 99.310, application therefor to be accompanied by a bid for such lands and estates therein as the city owns or may obligate itself to purchase, or otherwise acquire and lease, sublease, sell, or convey to the redevelopment corporation, provided a plan is submitted and is finally accepted and approved under the provisions of KRS 99.010 to 99.310. If more than one plan and bid is submitted for any one project thus advertised, then the plan and bid that together would prove most beneficial to the city in accomplishing the purposes of KRS 99.010 to 99.310 shall be submitted for approval under the terms of KRS 99.010 to 99.310, but the city may reject any and all applications, bids and plans. Said city shall be the sole judge as to which plan is the most beneficial. Such advertisement shall clearly describe the area under consideration for development, the part or parts thereof owned by the city or which it will acquire, and the estates in each parcel that is being offered for sale, the terms and conditions, and shall be published *pursuant to KRS Ch. 424* [in a newspaper of general circulation in conformity with the advertising of judicial sale of lands].

(e) The terms of the bid for such land or lands or leaseholds may be for all cash, or part cash and part on time, or all on time, with or without interest, and with or without lien retained. Any term of payment shall not be for a period exceeding five years from date of completion of the project.

(f) As a further inducement, the terms of the bid may provide for a discount not exceeding ten percent a year on such bid for each year, not exceeding five, in event the development during each such year is in accordance with the development plan.

Section 104. KRS 99.290 is amended to read:

(1) The local legislative body may by ordinance determine that real property specified and described in such ordinance, title to which is held by the city and which was not acquired by condemnation under the provisions of KRS 99.010 to 99.310, is needed for the redevelopment project and may authorize the city to convey, sell, such real property to a redevelopment corporation. Provided, however, that the title of the city to such real property be not

declared inalienable by charter of the city, or other similar law or instrument.

(2) Notwithstanding the provisions of any general, special or local law or ordinance, such sale may be made without appraisal, public notice or public bidding for such price and upon such terms as may be agreed upon between the city and the redevelopment corporation.

(3) Before such sale to a redevelopment corporation shall be authorized, a public hearing shall be held by the local legislative body to consider the proposed sale. Notice of such hearing shall be published *pursuant to KRS Ch. 424* [at least ten days before the date set for the hearing in such publication and in such manner as may be designated by the local legislative body].

(4) The deed to such real property shall be executed in the same manner as a deed by the city of other real property owned by it and may contain such appropriate conditions and provisions as are authorized by KRS 99.010 to 99.310 relating to such redevelopment corporation and any conditions or provisions of deeds to the city.

(5) A redevelopment corporation purchasing real property from a city shall not, without the consent of the legislative body of the city, use such real property for any purpose except in connection with the redevelopment. The deed may contain a condition that the redevelopment corporation will devote the real property granted only for the purposes of its development subject to the restrictions of KRS 99.010 to 99.310.

Section 105. KRS 99.370 is amended to read:

No agency may acquire title to any land for the purpose of carrying out a development plan unless the following conditions have been met:

(1) A general or master plan of the community has been adopted by the planning commission of the community.

(2) A development plan for the proposed development area has been approved by the planning commission of the community and has been made available for public inspection. The development plan shall designate, among other things, the location, character and extent of the public and private land ownership and uses proposed within the area, such as street, sewer, public transportation, school, recreation, dwelling, business, industry and such others as may be suitable. The development plan may be made by the agency, or at the request of the agency or at the direction of the council, be prepared by the planning commission of the community.

(3) A public hearing held by the agency on the redevelop-

ment project, whereat an opportunity shall be afforded to all persons interested to be heard, either in person or by counsel. Notice [of the time and place] of such hearings shall be published *pursuant to KRS Ch. 424* [in a newspaper of general circulation in the community not less than ten days prior to the date set for the hearing]. Notices of the hearing shall be mailed at least ten days before the hearing, to the last known owner of each parcel of land in the development area at the last known address of such owner as shown by the records of the assessor, *and* [. Such notices] shall contain a description of the proposed development area by its location in relation to highways, streets, streams or otherwise. Such notices shall further state that maps, plats and particular description of the development plan, together with such zoning maps and ordinances as may relate thereto, are available for public inspection at a place to be designated in such notice. The failure of any owner to receive a copy of such notice shall not invalidate the proceedings of the agency.

(4) A finding has been made by the agency that there is a feasible method for the temporary or permanent relocation of families displaced from the development area, and that there are, or are being provided, in the development area or in other areas not less desirable in regard to public utilities and public and commercial facilities and at rents or prices within the financial means of the families displaced from the development area, decent, safe, and sanitary dwellings for such displaced families.

(5) After public hearing, the agency has made and certified to the council the development plan and an estimate of the cost required of the community for the redevelopment of such area, for the guidance of the council in providing funds therefor, an estimate of the total cost of such redevelopment including an estimate of the cost of appraisals, the value of the real estate, and any other costs and expenses which, in the judgment of the agency may be incurred by the agency in the exercise of the powers granted in KRS 99.330 to 99.510, and an estimate of the revenue from the sale or lease of the property after demolition and conditioning for redevelopment, and the amount of deficit, if any, which is expected to be incurred.

(6) A finding has been made by the council:

(a) That the area is a slum area or that all the following conditions exist:

1. That the area is a blighted area;

2. That a shortage of housing of sound standards and design adequate for family life exists in the community;

3. That the need for housing accommodations has been or

will be increased as a result of the demolition of residential units in slum areas under development plans; and

4. That the conditions of blight in the area and the shortage of decent, safe, and sanitary housing in the community cause or contribute to an increase in and spread of disease and crime and constitute a menace to the public health, safety, and welfare;

(b) That the development plan will afford maximum opportunity consistent with the sound needs of the community as a whole for the redevelopment of the development area by private enterprise;

(c) That the development plan conforms to the general or master plan for the development of the community as a whole; and

(d) That federal assistance is necessary to enable the development area to be redeveloped in accordance with the development plan and funds will be available for the community share of the cost as required by the Housing Act of 1949 or other federal Acts providing federal financial assistance, or that federal financial assistance is not necessary and all funds will be available from other sources;

(7) The council has approved the development plan.

Section 106. KRS 99.430 is amended to read:

(1) Any agency shall have power to issue revenue bonds from time to time at its discretion for any of its corporate purposes under KRS 99.330 to 99.510. An agency shall also have power to issue refunding bonds for the purpose of paying or retiring bonds previously issued by it. An agency may issue revenue bonds on which the principal and interest are payable:

(a) Exclusively from the income and revenues of the redevelopment project or projects financed from the proceeds of such bonds; or

(b) Exclusively from such income and revenues together with grants and contributions from the Federal Government or other sources. Any such bonds may be additionally secured by a mortgage, deed of trust, or other lien or encumbrance on the property in the redevelopment project or projects financed from the proceeds of such bonds.

(2) Neither the members of an agency or any person executing the bonds shall be liable personally on the bonds by reason of the issuance thereof. The bonds and other obligations of an agency (and such bonds and obligations shall so state on their face) issued under this section shall not be a debt of the city, the county, the state or any political subdivision thereof within the meaning of any constitutional or statutory debt limitation or restriction and neither the city, the county, the state nor any political subdivision thereof shall be liable thereon, nor in any event shall such bonds or obligations be payable out of any funds or properties other than those of said agency.

(3) Bonds of an agency shall be authorized by its resolution. Such bonds may be issued in one or more series and shall bear such date or dates, mature at such time or times, bear interest at such rate or rates, be in such denomination or denominations, be in such form, either coupon or registered, carry such conversion or registration privileges, have such rank or priority, be executed in such manner, be payable in such medium of payment, at such place or places, and be subject to such terms of redemption (with or without premium) as such resolution, its trust indenture or mortgage may provide.

(4) The bonds may be sold at not less than par, at public sale held after notice *has been given by publication pursuant to KRS Ch. 424.* [published once at least five days prior to such sale in a newspaper of general circulation in the community.] Such bonds, however, may be sold at not less than par to the Federal Government at private sale without advertisement.

(5) In case any of the members or officers of the agency whose signatures appear on any bonds, coupons, notes or other obligations shall cease to be such members or officers before the delivery of such bonds, coupons, notes or other obligations, such signatures shall, nevertheless, be valid and sufficient for all purposes, the same as if they had remained in office until such delivery. Any provision of any law to the contrary notwithstanding, any bonds, coupons, notes or other obligations issued pursuant to KRS 99.330 to 99.510 shall be fully negotiable.

(6) In any suit, action or proceedings involving the validity or enforceability of any bonds of an agency or the security therefor, any such bonds reciting in substance that they have been issued by the agency to aid in financing a redevelopment project shall be conclusively deemed to have been issued for a redevelopment project and said project shall be conclusively deemed to have been planned, approved, located, and carried out in accordance with the purposes and provisions of KRS 99.330 to 99.510.

(7) In connection with the issuance of bonds, an agency, in addition to its other powers, shall have power:

(a) To pledge all or any part of its gross or net revenue to which its right then exists or may thereafter come into existence;

(b) To encumber (by mortgage, deed of trust, or otherwise) all or any part of its real or personal property in the redevelopment project;

(c) To covenant against pledging all or any part of its revenues, or against encumbering all or any part of its real or personal property, to which its right or title then exists or may thereafter come into existence or against permitting or suffering any lien on such revenues or property; to covenant with respect to its sale, leasing, or other disposition of any redevelopment project or any part thereof; and to covenant as to what other, or additional debts or obligations may be incurred by it;

(d) To covenant as to the bonds to be issued and as to the issuance of such bonds in escrow or otherwise, and as to the use and disposition of the proceeds thereof; to provide for the replacement of lost, destroyed or mutilated bonds, to covenant against extending the time for the payment of its bonds or interest thereon; and to redeem the bonds, and to covenant for their redemption and to provide the terms and conditions thereof;

(e) To covenant as to the amounts to be charged in the sale or lease of properties in a redevelopment project or projects, the amount to be raised from revenue each year or other period of time and as to the use and disposition to be made thereof; to create or to authorize the creation of special funds for moneys held for redevelopment or other costs, debt services, reserves, or other purposes, and to covenant as to the use and disposition of the money held in such funds;

(f) To prescribe the procedure, if any, by which the terms of any contract with bondholders may be amended or abrogated, the amount of bonds the holders of which must consent thereto and the manner in which such consent may be given;

(g) To covenant as to the use of any or all of its real or personal property; and to covenant as to the maintenance of its real and personal property, the replacement thereof, the insurance to be carried thereon and the use and disposition of insurance moneys;

(h) To covenant as to the rights, liabilities, powers and duties arising upon the breach of any covenant, condition, or obligation; and to covenant and prescribe as to events of default and terms and conditions upon which any or all of its bonds or obligations shall become or may be declared due before maturity, and as to the terms and conditions upon which such declaration and its consequences may be waived;

(i) To vest in a trustee or trustees or the holders of bonds or any proportion of them the right to enforce the payment of the bonds or any covenant securing or relating to the bonds; to vest in a trustee or trustees the right, in the event of a default by said agency, to take possession of any redevelopment project or part thereof, and to collect the rents and revenues arising therefrom, or due the agency in connection therewith, and to dispose of such moneys in accordance with the agreement of the agency with said trustee; to provide for the powers and duties of a trustee or trustees and to limit the liabilities thereof; and to provide the terms and conditions upon which the trustee or trustees or the holders of bonds or any proportion of them may enforce any covenant or rights securing or relating to the bonds; and

(j) To exercise all or any part or combination of the powers herein granted; to make covenants other than and in addition to the covenants herein expressly authorized of like or different character; to make such covenants and to do any and all such acts and things as may be necessary or convenient or desirable in order to secure its bonds, or, in the discretion of said agency, except as otherwise provided in KRS 99.330 to 99.510, as will tend to make the bonds more marketable notwithstanding that such covenants, acts, or things may not be enumerated herein.

(8) The bonds, notes and other obligations of an agency are declared to be issued for an essential public and governmental purpose, and together with interest thereon and income therefrom shall be exempt from all taxes.

(9) Notwithstanding any restrictions on investments contained in any laws of this Commonwealth, the Commonwealth and all public officers, municipal corporations, political subdivisions and public bodies, all banks, bankers, trust companies, savings banks and institutions, building and loan associations, savings and loan associations, investment companies, and other persons carrying on a banking business, all insurance companies, insurance associations and other persons carrying on an insurance business and all executors, administrators, guardians, trustees and other fiduciaries may legally invest any sinking funds, moneys or other funds belonging to them or within their control in any bonds or other obligations issued by an agency, as defined by KRS 99.340, or issued by any community or other public body in the United States, when such bonds and other obligations are secured by a contract for financial assistance to be paid by the United States Government or any agency thereof, and such bonds and other obligations shall be authorized security for all public deposits; it being one of the purposes of KRS 99.330 to 99.510 to authorize any persons, firms, corporations, associations, political subdivisions, bodies and officers, public or private, to use any funds owned or controlled by them including (but not limited to) sinking, insurance, investment, retirement, compensation, pension and trust funds, any funds held on deposit, for the purchase of any such bonds or other obligations; provided, however, that nothing contained in KRS 99.330 to 99.510 shall be construed as relieving any person, firm or corporation from any duty of exercising reasonable care in selecting securities.

Section 107. KRS 100.048 is amended to read:

After the preparation of such master plan, or part or parts thereof, but before approval thereof by the commission, the commission shall hold at least one public hearing thereon, notice of which shall be given by the commission by *publication pursuant to KRS Ch. 424* [publishing a notice at least once weekly for two consecutive weeks in a daily newspaper having general circulation throughout such city and county], and by such other means as the commission may determine. Such notice shall contain all such necessary information as will adequately acquaint the public with the purpose of the plan, or part or parts thereof, as the case may be, the areas affected thereby, and where said plan can be inspected. Within ninety days after any such hearing the commission shall approve such master plan, or part or parts thereof, as the case may be, as prepared, or the commission may revise same. If the commission revises same, it shall hold a hearing on such revised plan, and give notice thereof, in the same manner as provided for the original hearing. And such procedure shall be continued until the commission has made no further revision of such plan, or part or parts thereof, subsequent to the last hearing thereon. The commission shall certify, transmit and recommend such approved master plan, or part or parts thereof, as the case may be, to the fiscal court of such county and to the legislative body of such city for adoption or rejection by them. Adoption thereof may be a majority vote of all of the members of such fiscal court or such legislative body. Rejection thereof shall be only by a two-thirds vote of all of the members of such fiscal court or legislative body.

Section 108. KRS 100.353 is amended to read:

The commission may adopt the plan as a whole by a single resolution or may adopt successive parts of the plan, corresponding with major geographical divisions or with functional subdivisions of the subject matter of the plan, and may adopt any amendment to the plan. Before the adoption of the plan or any part or amendment, the commission shall hold at least one public hearing on the plan and give notice *pursuant to KRS Ch. 424* [by one publication in a newspaper of general circulation in the city]. The adoption of the plan or any part or amendment shall be by resolution of the commission carried by the affirmative votes of not less than five members of the commission. The resolution shall refer expressly to the maps and other matters intended by the commission to form the plan, and the action taken shall be recorded on the map and descriptive matter by the signature of the chairman or secretary of the commission. An attested copy of the plan or part adopted shall be certified to the legislative body and to the county clerk for record.

Section 109. KRS 100.390 is amended to read:

Before the commission finally establishes any zone or district in the city or municipal area, or makes, adopts, establishes or changes any plans or maps with reference to the zones or districts, it shall first embody its conclusions in a preliminary report, and give [public] notice thereof by *publication pursuant to KRS Ch. 424* [not less than three insertions in some newspaper of general circulation in the city and municipal area], fixing the time and place where objections to the preliminary report will be heard and considered by the commission. The commission shall hold a meeting at the fixed time and place to consider and act upon the preliminary report, and any objections thereto. At this meeting, or any subsequent meeting, the commission shall make up its final report, and an accompanying map or plan, embodying the result of its judgment upon the preliminary report and objections thereto.

Section 110. KRS 100.460 is amended to read:

(1) The board of adjustment shall fix a reasonable time for the hearing of any application for special exception or variance, or for the hearing of an appeal. It shall give [public] notice thereof by *publication pursuant to KRS Ch. 424* [three insertions in some daily newspaper of general circulation in the city of the second class, the first of which insertion shall be published ten days prior to the day fixed for the hearing]. Upon the hearing, any party may appear in person or by agent or by attorney, and the board shall decide the application or appeal within a reasonable time.

(2) An appeal from a ruling of an administrative officer shall be taken within the time provided by the rules of the board, by filing with the officer from whom the appeal is taken, and with the board of adjustment a notice of appeal specifying the grounds thereof. The officer from whom the appeal is taken shall forthwith transmit to the board all papers constituting the record upon which the action appealed from was taken.

(3) An appeal stays all proceedings in furtherance of the action appealed from, unless, on one day's notice given to the party appealing, the officer from whom the appeal is taken certifies to the board of adjustment that by reason of facts stated in the certificate a stay would, in his opinion, cause imminent peril to life or property. In such case, proceedings may be stayed only by order of the board on application to it, and due cause shown, after notice to the officer from whom the appeal is taken, or by judicial proceedings.

Section 111. KRS 100.530 is amended to read:

The legislative body shall provide for the manner in which regulations and restrictions and the boundaries of districts shall be established, enforced, and amended. No regulation, restriction, or boundary shall become effective until after a public hearing, at which parties in interest and citizens shall have an opportunity to be heard. *Notice of the hearing shall be given by publication pursuant to KRS Ch. 424.* [At least fifteen days before the hearing one notice shall be published in an official newspaper, or paper of general circulation in the city, stating the time and place of the hearing.]

Section 112. KRS 100.670 is amended to read:

The commission may adopt the plan as a whole by a single resolution or may adopt successive parts of the plan, corresponding with major geographical divisions or with functional subdivisions of the subject matter of the plan, and may adopt any amendment to the plan. Before the adoption of the plan or any part or amendment, the commission shall hold at least one public hearing on the plan, and give notice of the time and place by [one] publication *pursuant to KRS Ch. 424* [in a newspaper of general circulation in the city]. The adoption of the plan or any part or amendment shall be by resolution of the commission carried by the affirmative votes of not less than five members of the commission. The resolution shall refer expressly to the maps and other matters intended by the commission to form the plan, and the action taken shall be recorded on the map and descriptive matter by the signature of the chairman or secretary of the commission. An attested copy of the plan or part adopted shall be certified to the legislative body and to the county clerk for record.

Section 113. KRS 100.790 is amended to read:

(1) After it has adopted a major street plan of the territory within its subdivision jurisdiction or of any major section of such territory, the planning commission may make surveys for the exact location of the lines of streets in any portion of such territory and may make a plat of the area surveyed, showing the land which it recommends be reserved for future acquisition for public streets. The commission, before adopting any such plat, shall hold a public hearing, and give notice of the time and place of the hearing, with a general description of the area covered by the plat, [not less than ten days previous to the time fixed therefor] by [one] publication *pursuant to KRS Ch. 424* [in a newspaper of general circulation in the city if the area is within the city, or of general circulation in the county if the area is outside the city]. After the hearing the commission may transmit the plat, as originally made or modified to the legislative body, together with the commission's estimate of the time within which the lands shown on the plat as street locations should be acquired by the city. The legislative body may approve and adopt the plat by resolution, or may reject or modify it with the approval of the planning commission, or, in the event of the planning commission's disapproval, the legislative body may, by a favorable vote of not less than two-thirds of its entire membership, modify the plat and adopt the modified plat. In the resolution of adoption the legislative body shall fix the period of time for which the street locations shown upon the plat shall be reserved for future acquisition for public use. Upon adoption the clerk of the legislative body shall transmit one attested copy of the plat to the county clerk of each

county in which the platted land is located and retain one copy for the purpose of public examination and hearings of claims for compensation.

(2) Approval and adoption of a plat shall not be deemed the opening or establishment of any street, nor the taking of any land for street purposes, nor for public use, nor as a public improvement, but solely as a reservation of the street locations shown thereon, for the period specified in the resolution, for future taking or acquisition for public use. The commission may, at any time, negotiate with the landowners for releases of claims for damages or compensation for such reservations or agreements indemnifying the city from such claims by others, and such agreements shall be binding upon the owners executing them and their successors in title. At any time after the filing of a plat with the county clerk, and during the period specified for the reservation, the planning commission and the owner of any land containing a reserved street location may agree upon a modification of the location of the lines of the proposed street. The agreement shall include a release by the owner of any claim for compensation or damages by reason of the modification. The commission may then make a plat corresponding to the modification and transmit it to the legislative body, and if the modified plat is approved by the legislative body, the clerk of the legislative body shall transmit an attested copy of the plat to the county clerk and the modified plat shall take the place of the original plat. At any time the legislative body may, by resolution, abandon any reservation and shall certify any such abandonment to the county clerk.

Section 114. KRS 100.800 is amended to read:

(1) In the resolution of adoption of a plat the legislative body shall appoint a board of three appraisers and shall fix the time and place of hearings by such board upon the amount of compensation to be paid for the reservations. Thereupon the clerk of the legislative body shall publish *pursuant to KRS Ch. 424* [in at least one newspaper of general circulation in the city once a week for four consecutive weeks] a notice containing a general description of the land reserved, as shown on the plat, the provisions of the resolution including the period of time for which such reservations are made, the time within which claims for compensation may be filed, which shall be not less than three nor more than six months from the date of the notice, and the time and place of hearing shall not be set earlier than thirty days after the date of the first publications. Such notice shall also be posted in at least three public places in the neighborhood of the reservation.

(2) The board of appraisers shall fix the amount of compensation to be paid respectively to the owners of lands reserved for the period of time as shown on the plat and in the resolution adopted

by the legislative body. Whenever the clerk of the legislative body receives, within the specified period, any claim for compensation, he shall transmit it to the board of appraisers. At the time and place fixed for the hearing the board of appraisers shall hear and consider all claims presented to it in writing or in person, including all evidence which may be presented by claimants or other persons. The board of appraisers shall have the right on its own initiative to investigate evidence relevant to the question of compensation. In case of the abandonment of a reservation prior to the time fixed for payment of compensation, the city shall be liable to the owner of the land included within the abandoned reservation for the expenses incurred by the owner by reason of reservation.

Section 115. KRS 242.040 is amended to read:

Within five days after the county court orders an election, the county clerk shall give to the sheriff a certified copy of the order. The sheriff shall have the order published *pursuant to KRS Ch. 424* [for at least two weeks before the election in a weekly or daily newspaper published] in the county. When the election is ordered for the entire county, the sheriff shall also advertise the order by written or printed handbills posted at not less than five conspicuous places in each precinct of the county for two weeks before the election, and, when the election is ordered held in a city, district or precinct, at five conspicuous places in each precinct therein for the same length of time. [If no daily or weekly newspaper is published in the county, or the proprietor of the newspaper fails to publish the advertisement, the printed or written handbills posted as provided in this section shall be sufficient.] The sheriff shall report in writing to the county court that the notices have been published and posted.

Section 116. KRS 242.160 is amended to read:

The referendum shall be advertised *by publication pursuant to KRS Ch. 424* [for at least two weeks in at least two issues of a newspaper of general circulation printed and published] in the county in which the referendum is called, [or, if no newspapers are printed and published there, by posting handbills in at least five conspicuous places in every precinct in which the referendum is to be held. The advertisement shall describe the time and place for the holding of the referendum, and the question to be voted upon shall be stated in full.]

Section 117. KRS 243.360 is amended to read:

(1) Every person, except an applicant for renewal of the same license for the same premises, or an applicant for a special agent's or solicitor's license, an industrial alcohol license or a non-industrial alcohol license shall, before applying for any license under KRS 243.030, advertise *by publication pursuant to KRS Ch. 424* his

intention to apply [, by inserting in a newspaper of general circulation in the county in which are located the premises for which the license is sought, at least once a week for two consecutive weeks before the application is filed, a concise advertisement]. The advertisement shall state the name and address of the applicant if he is an individual, the names and addresses of the members of partnership if the applicant is a partnership, as well as the name of the business and its address, or, if the applicant is a corporation, the names and addresses of the principal officers and directors of the corporation, as well as the name and address of the corporation itself; the location of the premises for which the license is sought, and the type of license to be applied for. [If there is no newspaper of general circulation in the county, the advertisement shall be published by a newspaper published in the closest adjacent city that has a newspaper of general circulation in that county.]

(2) The applicant shall attach to the application a newspaper clipping of the advertisement and [a] proof of the publication *as provided in KRS 424.170.* [substantially in the following form:

______________________________, of ________________________,
(name of officer) (city) (state)
being first duly sworn, says that he is___________________________
(title of position)
of the publisher of the______________________________a newspaper
(name of newspaper)
printed and published in the State of______________________County
of_______________________________________, and having a general
circulation in the County of___________________________, and that
the advertisement of which the attached is a true copy has been
published in that newspaper on the following dates:_______________
___________________________________.

____
(signature of officer)

Subscribed and sworn to before me, a notary public within and for
the state and county aforesaid, by________________________________
to me personally known, this__________day of____________________,
19_____.

My commission expires the__________day of____________________,
19_____.

____
(signature of attesting official)]

Section 118. KRS 247.180 is amended to read:

(1) The State Fair Board is authorized and empowered to issue and sell negotiable revenue bonds in such denominations and in such amount or amounts as may be deemed by the board to be for the best interest of the Commonwealth, for any of the following purposes:

(a) To acquire real estate to be devoted to a revenue-producing use.

(b) To pay all or any part of the expense or cost of or incidental to a building project.

(c) To defray the cost of plans, specifications, blue prints, architectural fees and other expenses authorized to be incurred under the terms of KRS 247.130 and 247.140.

(2) Any revenue bonds so issued shall bear interest at a rate not exceeding five percent per annum, payable semi-annually, and shall become due and payable not more than forty years from the date of issuance. The payment of the bonds, together with the interest thereon, may be secured by a pledge and a first lien on all the receipts and revenue derived or to be derived, from any physical property under the control of the board. Neither the payment of any bond, nor the interest thereon, issued under the authority of this section, shall constitute an indebtedness of the Commonwealth of Kentucky or of the State Fair Board, nor shall any bond or interest thereon be payable out of any fund except such funds as may be derived from rentals or other revenues derived from the operation of the properties or from such revenues as may have been, or may be, available for such purpose, by law.

(3) All bonds which may be issued by the board under the provisions of this section shall be sold to the highest bidder after having been [duly] advertised *by publication pursuant to KRS Ch. 424* [in a newspaper, or newspapers, of general circulation in the Commonwealth at least once a week for three consecutive weeks], and by such *other* advertising as the board may prescribe if it finds additional advertising is necessary.

(4) All competitive bids for the sale of such revenue bonds shall be opened and read publicly by the board or its representative at a designated place, day and hour, all of which shall be announced in the advertising made relative thereto.

(5) Except as otherwise specifically provided in this section, the board is vested with all of the rights, powers and duties set forth and enumerated under Chapter 58 of the Kentucky Revised Statutes.

(6) In the event the board issues and sells revenue bonds for a building project as authorized in KRS 247.140 and this section, it may carry such insurance, including fire and windstorm, casualty, catas-

trophe, use and occupancy and such other insurance as the board may deem advisable in connection with the building project, and may so obligate and bind itself in a trust indenture securing the payment of such bonds. Any such insurance shall be paid for out of the funds available for the project.

(7) All money from the sale of revenue bonds shall be paid to the State Treasurer and shall be held by him as a special trust fund to be designated as directed by the board, and no part thereof shall be withdrawn from the State Treasury except for the purposes authorized by this section, together with the cost incidental to the issuing and selling of such bonds and other expenses directly related thereto. The board may likewise provide in any trust indenture securing revenue bonds for additional terms and conditions thereof, or for other restrictions not in conflict with this section.

Section 119. KRS 258.345 is amended to read:

(1) When the inhabitants of any city, or county, or any part thereof, have suffered an excessive amount of damage to livestock or poultry or domestic game birds by dogs, a petition may be presented to the commissioner, signed by twenty or more of such inhabitants who are owners of livestock or poultry, alleging such excessive damage and requesting that a quarantine be placed on all dogs within the limits of such city, or county, or such part thereof. Upon receipt of such petition, the department may, through its authorized agents, have an investigation made of the facts alleged therein, and, if convinced that conditions in such city, county, or such designated area demand such stringent measures, may establish a dog quarantine therein.

(2) When such a quarantine is established, at least ten notices thereof shall be posted throughout the area affected thereby, and notice thereof shall also be published *pursuant to KRS Ch. 424,* in [at least one issue of a newspaper of general circulation throughout such] *the* city or county.

(3) It shall be unlawful for any person, residing in the area affected by such quarantine, to permit a dog owned or harbored by him to run at large in such quarantined area, or to leave the premises where it is kept, unless accompanied by and under the control of the owner or handler.

(4) Any peace officer may destroy any dog running at large in a quarantined area, in violation of such quarantine, without any liability for such destruction.

Section 120. KRS 259.120 is amended to read:

Strays shall be taken up and posted in the following manner:

(1) If a stray over two years old is taken up, it shall be taken before a justice of the peace of the district, who shall administer to

the taker-up an oath, in substance, that the animal was taken up by him as a stray on his premises within the preceding ten days and that he has not defaced or altered the marks or brands of the animal. The justice shall then value the stray himself and take a correct description of the flesh-marks, age and brands of the same, all of which, together with the name and residence of the taker-up, he shall record in a book to be kept by him for that purpose. He shall give to the taker-up a copy of the record and deliver to the county clerk a certified copy of the same record within thirty days, for the whole of which service he shall be paid by the taker-up fifty cents.

(2) The clerk shall immediately record the stray certificate of the justice in a book to be kept by him for that purpose, and he shall cause a true copy of the certificate to be posted at the door of the courthouse at the next two succeeding court days of his county. His fee for this service shall be seventy-five cents, to be paid by the taker-up.

(3) The taker-up shall, within one month after he has posted the stray, cause to be published *pursuant to KRS Ch. 424,* [for one month, or by four weekly insertions], a copy of the justice's certificate [in a newspaper, if one is published in the county].

(4) If the stray is under two years old the justice shall, in addition to the oath required by subsection (1), take, on the oath of the taker-up, a description of the stray and also the oath of some honest housekeeper of the value of the stray, and proceed as directed by subsection (1) when the stray is over two years old.

(5) The taker-up shall be paid by the owner of the stray, if and when he claims the stray or its value, the fees paid the justice and clerk, the cost of advertising and also a reasonable sum for keeping the stray, where the animal has not been used. The owner shall also pay the taker-up a fee of one dollar for each horse, mule, jack or jennet, and twenty-five cents for any other stray posted.

Section 121. KRS 262.010 is amended to read:

As used in this chapter, unless the context requires otherwise:

(1) "Board" means the board of supervisors of a district;

(2) "Committee" means the state Soil Conservation Committee;

(3) "District" means a soil conservation district organized under KRS 262.100 to 262.180;

(4) "Due notice" means notice published *pursuant to KRS Ch. 424* [at least twice, with an interval of at least six days between the two publication dates, in a publication of general circulation within the appropriate area, or, if no such publication of general circulation be available, notice posted at a reasonable number of conspicuous places within the appropriate area. That posting shall include, where

possible, posting at public places where it is customary to post notices concerning county or municipal affairs generally]. At any hearing held pursuant to due notice, at the time and place designated in the notice, adjournment may be made from time to time without the necessity of renewing the notice for the adjourned dates;

(5) "Land occupier" or "occupier of land" includes any person other than the owner who holds title to or is in possession of, any lands lying within a district, whether as lessee or otherwise;

(6) "Landowner" or "owner of land" includes any person who holds legal or equitable title to any lands lying within a district; and

(7) "Supervisor" means one of the members of the governing body of a district.

Section 122. KRS 267.090 is amended to read:

(1) In every county where an improvement has been made under former laws or is made under this chapter, except those counties having seventy-five or more separate drainage districts or those counties availing themselves of the provisions of KRS 267.390 (3) (b) and 267.490 as provided in KRS 267.495, the county court shall annually call an election in each district, to be held in the courthouse at the county seat on some day in May designated by the court. At this election the taxpayers of each district shall elect a director to represent the district on the board of drainage commissioners. The county judge shall preside at the election of each district, which shall be by viva voce vote of each member present at the hour designated by the court. The districts of the county shall be numbered by the court, and the elections shall take place in the numerical order of the districts. If any district is not represented at the election, the county court shall appoint a taxpayer of that district as director to represent the district. The county court shall fill all vacancies by appointment. The call for election shall be made at least ten days before the election by posting notice at the courthouse door and by *publication pursuant to KRS Ch. 424.* [publishing it in one issue of some newspaper of general circulation.]

(2) If the county court fails to carry out any of the provisions of this section, any five taxpayers in any drainage district coming under the provisions of this chapter may call an election, and shall upon the day of the election designate one of their number to act in place of the county judge, with all the rights of the county court under this section.

(3) In counties having seventy-five or more separate drainage districts or in counties availing themselves of the provisions of KRS 267.390 (3) (b) and 267.490 as provided in KRS 267.495, the provisions of KRS 267.010 and 267.490 shall be followed.

Section 123. KRS 267.120 is amended to read:

(1) The board shall meet when called by the president. The president shall call a meeting upon the written request of two or more directors. The board shall have an office at the county seat, which shall be provided with all necessary furniture, stationery and records. The board shall keep complete records of its proceedings, which shall be at all times open to the inspection of the public.

(2) By April 1 of each year the board shall make a complete report of its acts during the previous year, showing the amount of money received and from what source, and the amount paid out and for what purpose. The report shall be spread upon its records and be open for public inspection. By April 1 of each year the board shall publish *pursuant to KRS Ch. 424,* [in the county seat newspapers] a financial statement of the previous year, showing the amounts received, the date of receipt and from what source, and the amounts paid out, the date of disbursement and for what purposes.

(3) All expenses incurred by the board shall be taken out of drainage funds and not from any general funds of the county.

Section 124. KRS 267.210 is amended to read:

When the final report of the viewers is completed and filed, it shall be examined by the court, and if it is found to be legal and in due form it shall be accepted, and if not it may be referred back to the viewers with instructions to secure further information, to be reported at a subsequent date fixed by the court. The chief engineer shall examine the report, and may recommend any changes in the plan of drainage for final adoption by the board. Such changes, when adopted, shall become a part of the plan. When the report is completed and accepted by the court, with any changes in the plan adopted by the board, a date not less than twenty days thereafter shall be fixed by the court for the final hearing upon the report, and notice shall be given by publication *pursuant to KRS Ch. 424* [in one issue of a newspaper of general circulation in the county], and by posting a notice on the door of the courthouse in each county in which land affected is assessed, and at five conspicuous places throughout the district, [such publication to be made for at least two weeks before the final hearing]. During this time a copy of the report shall be on file in the office of the clerk of the county court in which the proceeding is pending, and shall be open to the inspection of any landowner or person interested within the district.

Section 125. KRS 267.240 is amended to read:

(1) Upon final reference to it by the court of any drainage proceeding, the board shall give notice by publication *pursuant to KRS Ch. 424* [in some newspaper published] in the county in which the improvement is located, [and such publication elsewhere as it deems

expedient], of the time and place of letting the work of construction and of the approximate amount of work to be done and the time fixed for its completion. On the date appointed for the letting the board, together with the chief engineer, shall convene and let the work to the lowest responsible bidder, either as a whole or in sections, as they may deem most advantageous for the district. No bid shall be entertained that exceeds the estimated cost unless for good reasons it is shown that the original estimate was erroneous. The board may reject all bids and advertise again, if it believes it will be in the interest of the district to do so. The board may employ men and teams and lease, rent, hire or purchase machinery and equipment, and directly construct the improvement according to the plans and specifications, without letting a contract. The board may exercise the same power in cleaning out, straightening and reconstructing old public ditches, but the expense in any case shall not exceed the estimate of the drainage engineer for the work.

(2) If the board accepts a bid, the successful bidder shall be required to enter into a contract with the board and to execute a bond for the faithful performance of such contract, with sufficient sureties, in favor of the board for the use and benefit of the district, in an amount equal to fifty percent of the estimated cost of the work awarded to him. The board may maintain action for breach of the contract against any contractor and the sureties on his bond, and in case of breach of the contract the work may be advertised and relet in the same manner as the original letting.

Section 126. KRS 267.300 is amended to read:

(1) If the copies of the assessment roll and statement of costs are filed with the county clerk more than ten days before the first day of the next regular term of the county court, the clerk shall give notice, by publication *pursuant to KRS Ch. 424* [for at least ten days in some newspaper regularly published] in the county, of the filing of the assessment roll and statement, and that they will be heard on the first day of the next succeeding term of the county court. If copies are not filed more than ten days prior to the first day of the next term of court, then on the first day of the term the court shall set the same for hearing, and the clerk shall give [at least ten days'] notice of the time of the hearing by publishing the notice *pursuant to KRS Ch. 424* [at least ten days before the time set for hearing in some newspaper regularly published in the county]. In either event, the clerk shall also cause notices to be posted on the front door of the courthouse and in five public places in the district more than ten days prior to the hearing.

(2) The court shall hear in a summary way any objections to the cost of the improvement and to the assessment of land, and shall enter an order confirming the assessment roll or directing the board to

change it in accordance with the finding of the court. No question or objection that could have been raised to the final report of the viewers or at any time before the filing of the assessment roll or statement of cost can be raised by exceptions to the assessment roll or statement of costs. The order of the court shall be final and may be appealed from in the same manner as from orders confirming a report of the viewers.

(3) The order shall direct the clerk of the court to certify to the county treasurer a copy of the assessment roll as filed by the board or as changed by the court. One copy of the assessment roll shall be retained by the clerk and recorded as part of the drainage record. If land in any other county is assessed, another copy of the assessment roll so far as it related to land in that county shall be filed with the county clerk of that county.

Section 127. KRS 267.310 is amended to read:

If the total assessment against the land is less than an average of twenty-five cents per acre, the assessments shall be collected in one installment. In that case, after the assessment roll has been made out and one copy delivered to the county treasurer, as provided in KRS 267.300, notice thereof shall be given by publication *pursuant to KRS Ch. 424* [in one issue of some newspaper of general circulation in the county], and by posting one notice at the courthouse door in each county in which land assessed is located. At any time within thirty days thereafter, any landowner may pay the assessment against his land to the treasurer, who shall enter proper credit on the assessment roll. After said thirty days the board shall recover the assessment roll from the treasurer and deliver it to the sheriff, accompanied by an order to collect the unpaid assessments. The sheriff shall proceed to collect the assessments. If land in any other county is assessed, a copy of the assesment roll, in so far as it relates to that land, shall be certified to the sheriff of that county. The roll, when placed in the hands of the sheriff, shall have the same effect as a tax against the land assessed, and shall be collected in the same manner as state and county taxes, except that the sheriff shall add to each assessment shown the amount of his commission. If not paid by December 1 following the date of certification or order to collect, a penalty of six percent shall be added.

Section 128. KRS 267.320 is amended to read:

(1) If the total assessment exceeds the average of twenty-five cents per acre on all the land assessed, the board may give notice by publication pursuant *to KRS Ch. 424* [in one issue of some newspaper of general circulation in the district], and by posting a notice at the door of the courthouse in each county in which land assessed is located, and at five conspicuous places in the district, that it proposes

to issue bonds for the construction of the improvement, giving the amount of bonds to be issued, the rate of interest they are to bear and the time when payable. Any landowner having land assessed in the district and not wanting to pay interest on the bonds may, within thirty days after the publication of the notice, pay the county treasurer the full amount of his assessment and have his land released. If the landowner produces a treasurer's receipt showing such payment, the county clerk or the secretary of the board shall endorse the release upon the assessment roll, and report to the board all releases made by him. This report shall be recorded on the record or minutes of the board. When the board is satisfied that any assessment has been paid it may order a release made.

(2) Each person owning land assessed in the district who fails to pay the full amount of his assessment within thirty days after publication of the notice shall be deemed to consent to the issuing of bonds, and in consideration of the right to pay his assessment in installments he thereby waives his right to any defense against the collection of the assessment because of any irregularity, illegality or defect in the proceeding prior to that time, except in the case of an appeal, which is not affected by this waiver.

Section 129. KRS 267.350 is amended to read:

(1) When the county court has confirmed an assessment for any improvement and it has been modified by a court of superior jurisdiction, or for some unforeseen cause it cannot be collected, the board may change the original assessment to conform to the judgment of the court and to cover any deficit caused by the order of the court, or unforeseen occurrence.

(2) In any other case where, for any cause, it is ascertained that the amount assessed against the property in the district is not sufficient to complete the improvement provided for, and a petition is filed by the board, or any three or more of the original petitioners, or by the board and three or more of the petitioners, stating the amount of the deficit, the causes thereof and the amount necessary to be raised in order to complete the work, and asking an additional assessment and levy, the county court shall cause its clerk to give notice of the filing and purpose of the petition, and shall fix a time between ten and twenty days from the giving of the notice when the petition will be acted upon, and exceptions, answers or objections received. The notice shall be published *pursuant to KRS Ch. 424,* [in at least one newspaper in the county] and posted in at least three public places in the district. Such publication shall be sufficient notice of the proceeding to all parties affected. Upon hearing, if the court finds that the additional assessment and levy asked for in the petition are necessary and ought to be made in order to complete the work, it shall direct such assessment and relevy to be made by the board.

(3) Any additional assessment and relevy made under this section shall be made in the same ratio on the land benefited as the original assessment, and shall be collected in the same way.

Section 130. KRS 267.510 is amended to read:

(1) As soon as practicable after the judgment establishing a separate drainage district becomes final, the county court shall, with the advice and assistance of the engineer, enter an order dividing the district into three precincts, as near equal in area of lands reported as benefited as is practicable, and calling a meeting of the landowners affected, to be had at some public place in the county in which the proceeding is pending, at a day and hour fixed in the order. The date for the meeting shall be not less than twenty days from the entry of the order calling it. [At least fifteen days before the date set,] *The* county clerk shall give notice of the meeting by publication *pursuant to KRS Ch. 424* [in one issue of some newspaper published at the county seat of the county in which the district was organized], and by posting not less than five posters in different public places in the district *at least fifteen days before the date set.* The landowners, when assembled, shall organize by the election of a chairman and secretary of the meeting, who shall conduct the election. At this election each acre of land, as near as may be arrived at by estimate or from the evidence heard before the county court on the cross-petition, shall represent one share, and each owner shall be entitled to one vote for each share estimated to be owned by him in the district. The name of at least one person shall be put in nomination for the office of district commissioner from each of the three precincts. The one person from each of the three precincts receiving the highest number of votes shall be declared elected as district commissioner. The district commissioners shall immediately by lot determine the terms of their office, which shall be, respectively, one, two, and three years, and shall serve until their successors are elected and qualified.

(2) Each year after the election of the first district board, at such time and place in the district as the district board designates, and *after* [upon not less than fifteen days'] notice, as above provided, the landowners in the district shall meet and elect one district commissioner, who shall be an owner of land in the same precinct as that in which the district commissioner whose term is about to expire owns land, and who shall hold office for three years and until his successor is elected and qualified. In case of a vacancy in any office of district commissioner, the remaining district commissioners may fill the vacancy, with some person having the precinct qualification, until the next annual election, when a successor shall be elected for the unexpired term. A district commissioner whose term is expiring shall be eligible for reelection.

Section 131. KRS 268.080 is amended to read:

(1) If the report of the viewers recommends the establishment and organization of the proposed district, the clerk of the court shall forthwith cause notice thereof to be mailed to each owner named in the report whose property is shown to be affected by the proposed improvement.

(2) The notice shall be in substance as follows:

"Commonwealth of Kentucky:

"(Here insert names of all owners of property named in the report)____________________. You are hereby notified to appear in the ____________________court of the County of______________________, Kentucky, within thirty days from this date and show cause why the prayer of the petition of___________________et al., herein filed, shall not be granted, and why the report of the board of viewers filed herein and now on file in the office of the clerk of the court, should not be confirmed, which report recommends the establishment and organization of a (drainage), (levee), (reclamation) district, embracing the following territory_________________________(here describe the territory by boundaries as described in the report of the board of viewers) and to show cause why the property owned by you located in the proposed district shall not be assessed for the purpose of establishing and organizing that district and constructing and maintaining the proposed improvement, and why so much of the property owned by you which may be necessary to construct and maintain this improvement shall not be taken or damaged for such purposes. Upon your failure to appear and file objections or exceptions within thirty days from this date, it will be taken for granted and confessed by the court and all others that you have no objections to the establishment and organization of the district or the construction and maintenance of the proposed improvement in the (drainage), (levee), (reclamation) district. The proposed improvement is described as follows: (here give a general description of the proposed improvement according to the recommendations contained in the report).

"Witness my hand as clerk of the ______________________ court on this the ____________ day of ______________, 19____.

__________________________ Clerk
By ______________________ D. C."

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(3) The clerk of the court in which the proceeding is pending shall cause a copy of the notice to be placed in an envelope plainly addressed to each owner or city, at the post office address as shown in the viewers' report, with the proper postage on the envelope. The clerk shall mail it in the post office at the county seat of the county

in which the proceeding is pending within five days after the report of the viewers is filed in his office. The clerk shall also publish this notice *pursuant to KRS Ch. 424* [once each week for three consecutive weeks next] after the report is filed in his office [, in some newspaper published in the county where the proceeding is pending and in all newspapers published within the territory in the proposed district]. He shall also post a copy of the notice at ten public and conspicuous places within the territory. If the district is partly located in two or more counties he shall post a copy of the notice in at least five different public and conspicuous places within that part of the district in each county where any part of the district is located, and in addition post one copy at the courthouse door at the county seat of each county in which any part of the district is located. The notices herein provided for shall be posted within ten days after the viewers' report is filed in the clerk's office.

Section 132. KRS 268.160 is amended to read:

(1) The county judge shall divide the district into three precincts as nearly equal in area as practicable, following owners' property lines and immediately upon such division he shall appoint a temporary secretary to act for the district board. The secretary for the board shall record the result of the division of the district into precincts in the drainage record.

(2) The secretary shall give [twenty days'] notice *by publication pursuant to KRS Ch. 424* [in a newspaper published] in each county where any part of the drainage district lies and by posting three notices in each precinct of the district, informing the owners of the district that they may vote for a drainage commissioner for each precinct and a secretary for the board and the district, within a stated time. The vote shall be taken by the owners filing a written designation of choice, together with the number of acres the voter owns in the district, or if benefits have been confirmed the amount of benefits assessed against the owner's land, with the county judge. Each acre owned and assessed in the district shall count one vote, or if benefits have been confirmed each one hundred dollars or fraction thereof in benefits assessed against the voter's land shall count one vote for secretary and drainage commissioner. The votes of the owners, when cast and filed with the county judge, shall be recorded by the secretary of the board in the drainage record immediately after the expiration of the time for casting the vote. Votes shall be filed with the county judge by the first Monday in April for drainage commissioner and for secretary, for a term of one year beginning on the first Monday of May following. If there is a tie vote in any contest the judge of the county where the district has been established shall cast the deciding vote.

(3) The board shall consist of three members, being the persons

who have received the largest number of votes in each of the three precincts. The secretary shall be the party who received the largest number of votes from the district at large for that office. The board shall elect some responsible resident of the district, who is not a member of or secretary to the board, as treasurer. The treasurer shall be paid whatever salary the board deems proper, and shall execute bond as the board directs. One month after the advertised election is completed, or on the first Monday in May if not an advertised election, the elected officers shall take charge of the drainage record and all records, maps, papers and property belonging to the district, except money in the hands of the treasurer.

(4) No one except an owner of land in the precinct for which he acts shall be eligible for drainage commissioner. Each commissioner shall be a freeholder and over twenty-one years of age. The board shall have control of all improvements in the district, except as otherwise provided. Vacancies in the office of board member or secretary shall be filled by a special election after due advertising. Each drainage commissioner when elected shall execute bond for the faithful performance of his duties in the sum of $2,500 and shall be sworn to perform the duties of his office to the best of his ability.

(5) Immediately upon election and qualification, the board shall become a body corporate, under the name and style of the "Board of Drainage Commissioners of______________________District," with all the powers of a corporation or as necessary to carry on its work. It shall use a corporate seal which it may change at pleasure. The board shall elect from among its members a president, and a vice president.

Section 133. KRS 268.170 is amended to read:

(1) The board shall furnish its secretary with the necessary office room, furniture, fixtures, stationery, maps, plats, typewriter and postage. The board shall meet as often as necessary for the proper discharge of duties at whatever places these duties require within the county in which any part of the district lies. The board shall keep complete records of its proceedings, which shall be at all times open to the inspection of the public.

(2) The treasurer of the board shall, by May 1 of each year, make a complete and itemized report of its accounts and doings during the previous year, showing the amount of money received and from what source and the amount paid out and for what purposes. This report shall be spread upon the records and open for public inspection. He shall also, by May 1 of each year, have published *pursuant to KRS Ch. 424 in* [in the county seat newspaper of] the county where most of the acreage of the district lies, a complete and itemized statement of the previous year showing the accounts received, the date of receipt and from what source, the amounts paid out, the date of disbursement and for what purposes.

(3) All expenses incurred by the board shall be taken out of drainage funds and not from any general funds of the county. The commissioners shall be paid not more than three dollars per day while actually engaged in the performance of their duties as well as all traveling expenses incurred in attending any meeting of the board or in the performance of their duties, to be paid out of the funds of the district.

Section 134. KRS 268.280 is amended to read:

(1) When the report of the appraisers is filed in the office of the clerk of the court, if it shows that any property is going to be taken, damaged or affected, the owner of which has not been brought into court by notice on the organization of the district, the clerk shall embrace the name of such owner and a description of the property in the notice to them given by him and in the public notice, that the report of the appraisers has been filed, and set a hearing on a day certain during the next succeeding term of court, which does not convene within less than ten days from the day on which the report was filed in his office.

(2) The public notice given by the clerk shall be substantially as follows:

"Commonwealth of Kentucky.

"In re drainage district No.____________court of______________
County (or of_______________________Counties), Kentucky.

"Notice is hereby given to all owners of property in (drainage), (levee), (reclamation) district known as (insert name of district), the boundaries of which district are as follows: (here insert boundary description and also a separate description of any property added by the appraisers, together with the name of the owner), and to all persons whose property may be affected, that the board of appraisers has filed in the office of the clerk of this court its report in which it states and shows the benefits, damages and the assessments of benefits made upon all property in the district, the classification thereof and an appraisal of the value of the property necessary to be taken or used, or which will be affected by the making of the improvement. This proceeding is set for hearing on the ____________day of ____________, 19______, being the ______ day of the next ___________term of court. The report is on file in my office and subject to inspection by any person. Any person desiring to file exceptions thereto, must do so on or before the ________ day of __________, 19____, being the first day of the ____________ term of court. Your failure to file exceptions to the report by that date will be construed by the court that you have no reasons to offer why it should not be confirmed.

"Done by me as clerk of the ______________ court on this the ________ day of ________________, 19____.

__________________________Clerk."

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(3) The clerk shall post a copy of the above notice at the front door of the courthouse of the county where the proceeding is pending, within five days after the report is filed in his office, and shall cause it to be published *pursuant to KRS Ch. 424* [for two consecutive weeks in a newspaper published in each county where any part of the district is located, one day each week from the day the report is filed in his office]. One copy of each issue of each [of the] newspaper[s] [so published] containing the notice shall be filed by the clerk as a part of the record in the proceeding. On the first day of the term of court at which the report stands for hearing and trial, the clerk shall file in open court his certificate showing that he has published the notice as required. He shall sign the certificate officially and make it a part of the files of the proceedings. He shall make and attach a copy of his certificate to each duplicate copy of the report of the appraisers on file in his office. [If no newspaper is published in the county where the proceeding is pending, or in any county in which any part of the district is located, then a copy of the notice shall be posted at the courthouse door in each county in which any part of the district is located, and at ten public and conspicuous places within the district in the county where no newspaper is published. The certificate of the clerk shall be proof of the posting of all notices.]

(4) Owners shall have until and including the first day of the term of court at which the report is set for a hearing to file exceptions to it. All exceptions shall be heard and tried by the court on the day the proceeding is set for hearing pursuant to the preceding notice, unless further time be required. The trial of exceptions shall be by the court, except in cases where land is to be condemned, in which case it shall be by a jury as provided in KRS 416.010 to 416.080.

Section 135. KRS 268.360 is amended to read:

(1) As soon as the drainage assessment record is completed, the board shall deliver the copies to and file them with the clerk of the court where the proceeding is pending. The clerk shall receive them, and, beginning within five days, publish notice of such filing *pursuant to KRS Ch. 424* [in his office once each week for two weeks in one newspaper published in each county in which any part of the district is located]. The notice shall be in substantially the following form:

"State of Kentucky, ________________ court.

"County of ___________________

"In the matter of the ________________ (drainage), (levee), (reclamation) district, pending in this court. Notice is hereby given to all persons interested that the board of drainage commissioners of ____________________ County did on the __________________ day of _________________, 19____, file in my office ____ copies of the drainage assessment record for the above district in which they show the aggregate costs of the improvements to be made according to the plan for reclamation, also the aggregate of all benefits to property and the minimum district assessment and the apportionment thereof to each piece of property, together with the total of such assessments which are to be paid for each separate piece of property.

"All persons interested are hereby notified that they may inspect this record at any time, and are given until the first day of the next ____________term of this court to file exceptions to these final assessments.

"Court will convene on the ______day of ____________, 19____. Unless you file exceptions thereto by that date, it will be taken for granted and confessed by the court that the assessments are correct, and correctly apportioned to each separate piece of property, and they will be confirmed by the court, and become the fixed assessments upon each piece of property.

"Given under my hand as clerk of the ________________ court, on this the ________ day of ________________, 19____.

____________________________Clerk"

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(2) Exceptions may be filed by any owner of property assessed up to and including the first day of the next succeeding term of court which convenes after the week in which the notice by the clerk has been published [the second time in the newspapers], but not thereafter. If exceptions are filed, they shall be heard by the court in a summary way, upon the files and records of the proceedings and other competent evidence. If errors are found by the court, they shall be by proper orders corrected. The order of the court shall direct the clerk to show such corrections on all the copies of the assessment record in red ink. When all errors in the assessment are ordered corrected by the court, the court shall approve the assessment record.

(3) The final order of approval and confirmation by the court shall be final and conclusive upon all property within the district. The assessment record, when corrected by the clerk under orders of the court, shall be endorsed by the court as the assessment record of the district, and thereafter no question may be raised concerning the correctness of any assessment shown in the record.

(4) One of the several copies of the assessment record, properly corrected and endorsed by the judge, shall remain in the office of the

clerk of the court. The remaining copies shall be certified and delivered by the clerk to the secretary of the board of the county in which the proceeding is pending.

Section 136. KRS 269.030 is amended to read:

(1) Before issuing any refunding bonds the board of drainage commissioners or other governing authority shall set a date and place for a hearing, and give notice of the hearing to all persons owning any interest in any property assessed in the district of its intention to refund the bonds. This notice shall be published *pursuant to KRS Ch. 424* [in a newspaper published] in each county in which the property is located [and there shall be at least two insertions once in each of two consecutive weeks and on the same day of each week, the last insertion to be not less than five days prior to the date set for the hearing]. The hearing shall be held by the board or governing authority at the place designated by it.

(2) The notice will be sufficient if substantially in the following form:

"All persons interested in property lying in ------------ District, ---------------- County, Kentucky, take notice:

"That ---------------- District, --------------- County, Kentucky, desires to refund all (part) of its outstanding bonded indebtedness (and accrued interest) and that at -------------- in the City of ----------------------, on the ------------ day of ------------, 19---- at ------ o'clock ----M. any person having an interest in any property in the district may appear before the board of drainage commissioners (other governing authority) of the district, and show any cause why the refunding should not be done, and taxes in addition to the assessed benefits levied, if necessary, for the purpose of paying interest on the refunding bonds. You are further notified that if a majority of the owners of land in the district, owning a majority of the acres of land therein, object, the refunding will be abandoned. You will further take notice that unless the refunding is abandoned, any owner may, at any time within two weeks after the making of the order to issue refunding bonds, pay the full amount of uncollected principal tax or assessment chargeable to his property for the payment of the bonds proposed to be refunded. Any tract on which the tax or assessment is paid will be released from any tax or assessment for the payment of the refunding bond, but shall remain subject to any additional taxes that may be levied by the district.

"Dated at -------------------, Kentucky, the ----------- day of --------------, 19----. Board of Drainage Commissioners (other governing authority) of ---------------------- County, Kentucky, by ------------------------."

(3) If, at or prior to the holding of the meeting and hearing, a majority of the owners in the district, owning a majority of the acres of land therein, file with the board or other governing authority written objections to the refunding of the outstanding bonds, the board or other governing authority shall enter an order reciting the fact that the objections have been filed and abandoning the refunding.

Section 137. Subsections (1) of KRS 269.150 is amended to read:

(1) The board of commissioners shall cause to be published *pursuant to KRS Ch. 424* [in a daily newspaper, printed and published in the county if there be one, by insertions made once a week for three successive weeks], a notice substantially as follows:

"The________________company's tax notice.

"All holders and persons interested in land within the boundary of the ________________ company are hereby notified that the board of commissioners appointed by the county court under KRS 269.120 has reported an assessment and apportionment upon the land, and on the ____________ day of ____________________ (insert date) it was filed with the clerk of the circuit court. Any person having any complaint to make of excessive or unjust assessment or apportionments shall file such complaint in writing with the clerk of the circuit court within thirty days after the filing of said report. As soon as practicable after the expiration of such thirty days, the clerk will set it to a day for hearing.

Signed (insert name).
Signed (insert name).
Signed (insert name).
Board of Commissioners."

The board of commissioners shall also post copies of the notice at six prominent places within the boundary, within seven days after the filing of the report.

Section 138. KRS 276.450 is amended to read:

(1) No railroad company, street railway company, steamboat company or other person engaged in the transportation of passengers within this state shall knowingly transport within this state, or into this state for sale, storage or use therein, in any vehicle containing passengers, or in any vehicle attached to any railroad train or vehicle carrying passengers, any explosive compound that is not plainly and legibly marked with the name of the compound and the words "Explosives—Dangerous." No person shall send or receive any explosive compound that is not so marked.

(2) The Railroad Commission shall make rules fixing the method of packing and the maximum amounts of various explosive compounds that may be so carried in any railroad train containing passengers, or in a vehicle attached to such train, or in any public vehicle, whether freight or passenger. The rules, signed by the railroad commissioners, shall be published *pursuant to KRS Ch. 424.* [for the period of four weeks in a daily paper published in each of the cities of Louisville, Lexington, Paducah and Covington.] A copy of the rules, certified by one of the railroad commissioners, and a like certificate of the fact of their due publication, shall be conclusive proof of the rules and of their proper publication.

(3) No person shall transport any explosive compound in violation of the rules prescribed and published by the Railroad Commission under subsection (2) of this section, or send or receive any explosive compound that is not packed as required by such rules. No conductor of a train, captain of a steamboat, or person in charge of any public vehicle engaged in carrying passengers or freight shall fail to observe such rules in transporting an explosive compound.

Section 139. KRS 276.460 is amended to read:

(1) When any company engaged in the transportation of freight, express or baggage, and having an office or place of business in this state, has had any unclaimed articles, not perishable, in its possession for a period of six months or more, it may sell the articles at public auction, and out of the proceeds thereof may retain the expense of transportation, storage, advertisement and sale. The articles may be sold at any point where the company believes the best price can be obtained. The company shall give written notice of the sale to the consignor and consignee not less than thirty days before the sale is made, or publish notice of the sale *pursuant to KRS Ch. 424* [for four weeks in some newspaper of general circulation in this state].

(2) Any such company may sell unclaimed perishable articles as soon as it is deemed necessary and proper in order to protect the company and the consignor or consignee, but shall notify the consignor and consignee where it is practicable to do so.

(3) The company shall keep a record of the articles sold and prices obtained therefor, and shall pay any surplus remaining after payment of charges to the owner of the articles, if demanded by him within two years from the date of sale.

Section 140. KRS 280.030 is amended to read:

(1) Every person applying for a certificate of convenience and necessity under KRS 280.020 shall, at the time of application, make and file with the Department of Highways a statement in such form as the department prescribes.

(2) The statement shall, in addition to any other information required by the department, contain:

(a) The name of the applicant;

(b) The nature of the applicant, whether an individual, association or corporation, and under the laws of what state organized;

(c) The location of its principal office;

(d) The names and post office addresses of its president, secretary, auditor, treasurer, and superintendent or manager;

(e) The name and post office address of its chief officer or managing agent in this state;

(f) The location of the termini between which it transacts its ferry or bridge business;

(g) The number and capacity of boats or other vehicles owned and used for the ferry or the width of driveway of the bridge;

(h) The schedule of hours of service and trips made; and

(i) The schedule showing the rates to be charged and the classification of patrons by rates.

(3) The statement shall be made under the oath of the applicant or, if the applicant is an association or corporation, under the oath of its president, secretary, treasurer, superintendent or manager.

(4) The department shall, after the filing of the application, fix a date for hearing the application, which shall be within thirty days after the filing. The aplicant shall give notice of the filing of the application by publication *pursuant to KRS Ch. 424* [made once a week for two weeks immediately prior to the date set for the hearing, in a newspaper of general circulation published in the locality in which the applicant proposes to operate].

(5) If it is made to appear to the department that public convenience and necessity requires the operation of the bridge or ferry, the department shall grant the certificate.

Section 141. KRS 280.220 is amended to read:

(1) If the grantee of a ferry privilege does not, within six months after the grant, put and keep the required boats and hands in use, the county court shall, after notice to him, revoke his grant.

(2) Any failure for one year to keep up a ferry in the manner required, or any sale or lease of a ferry privilege made to, or contract not to use a ferry privilege made with, the owner, tenant or partner of a ferry established within one mile thereof, or the owner, tenant or partner of a ferry established on the other side of the Ohio River or Mississippi River, shall be deemed an abandonment of the ferry privilege, and the county court shall, upon notice to the grantee, revoke his ferry privilege.

(3) Upon failure to comply with any of the requirements of subsection (4) of KRS 280.180 or subsection (3) of KRS 280.200, the county court shall revoke the ferry privilege, after first summoning the party or, if he is a nonresident, after warning him by an order posted at the courthouse door, on a court day of a previous term, and by publication *pursuant to KRS Ch. 424.* [in a newspaper, if any, printed in the county.]

Section 142. KRS 287.172 is amended to read:

(1) A national banking association may convert into or merge with a state bank under a state charter, provided that:

(a) The action taken complies with Federal law;

(b) In the case of a merger, the institutions to be merged are located in the same city or county.

(2) In the case of each conversion, a written plan of conversion shall be submitted, in duplicate, to the commissioner. Such plan shall be in form satisfactory to the commissioner, shall prescribe the terms and conditions of the conversion and the mode of carrying it into effect, and shall have annexed thereto and forming a part thereof the proposed articles of incorporation of the state bank which is to result from the conversion. Such articles of incorporation shall be in the form prescribed by law for the organization of state banks, with such variations, if any, as shall be satisfactory to the commissioner. With such plan of conversion there shall be submitted, in duplicate, to the commissioner a certificate of the president, secretary or cashier of the national banking association certifying that all steps have been taken which are necessary under Federal law to the consummation of the conversion. The commissioner shall approve or disapprove such plan of conversion within sixty days of the submission thereof to him. If the commissioner shall approve such plan, he shall file one duplicate thereof, together with one duplicate of such certificate submitted therewith and the original of the approval of the commissioner, in the office of the commissioner, and the other duplicate of such plan, together with a duplicate of such certificate and a duplicate of the commissioner's approval, shall be filed in the office of the clerk of the county in which the principal office of the state bank is to be located. After such filing in the office of the commissioner, the conversion shall become effective upon the filing and recording of the articles of incorporation as provided in KRS 287.050, unless a later date is specified in the plan, in which event the conversion shall become effective upon such later date.

(3) In the case of each merger, a written plan of merger shall be submitted, in duplicate, to the commissioner. Such plan shall be in form satisfactory to the commissioner and shall prescribe the terms and conditions of the merger and the mode of carrying into effect. Such plan may provide the name to be borne by the state bank, as receiving

corporation, if such name is to be changed. Such plan may also name the persons who shall constitute the first board of directors of the state bank after the merger shall have been accomplished, provided that the number and qualifications of such persons shall be in accordance with the provisions of KRS Chapter 287 relating to the number and qualifications of directors of a state bank; or such plan may provide for a meeting of the stockholders to elect a board of directors within sixty days after such merger, and may make provisions for conducting the affairs of the state bank meanwhile. With such plan of merger there shall be submitted, in duplicate, to the commissioner the following:

(a) By the national banking association, a certificate of the president, secretary or cashier of such association certifying that all steps have been taken which are necessary under Federal law to the consummation of their merger;

(b) By the state bank, a certificate of the president, secretary or cashier certifying that such plan of merger has been approved by the board of directors of the state bank by a majority vote of all the members thereof, that such plan has been submitted to the stockholders of the state bank at a meeting thereof held upon notice of at least fifteen days, specifying the time, place and object of such meeting and addressed to each stockholder at the address appearing upon the books of the state bank and published *pursuant to KRS Ch. 424* [for at least two successive weeks in one newspaper in the county in which the state bank has its principal place of business], and that such plan of merger has been approved at such meeting by the vote of the stockholders owning at least two-thirds in amount of the stock of the state bank.

(4) The commissioner shall approve or disapprove such plan of merger within sixty days of such submission thereof to him. If the commissioner shall approve such plan, he shall file one duplicate thereof, together with one duplicate of each of such certificates and the original of the approval of the commissioner, in the office of the commissioner, and the other duplicate of such plan, together with a duplicate of each of such certificates and a duplicate of the commissioner's approval, shall be filed in the office of the clerk of the county in which the principal office of the the state bank is to be located. Upon such filing in the office of the commissioner, the merger shall become effective, unless a later date is specified in the plan, in which event the merger shall become effective upon such later date.

(5) At the time when such conversion or merger becomes effective:

(a) The resulting state bank shall be considered the same business and corporate entity as the national banking association, although as to rights, powers and duties, the resulting bank is a state bank;

(b) All of the property, rights and powers and franchises of the national banking association shall vest in the resulting state bank and the resulting state bank shall be subject to and deemed to have assumed all of the debts, liabilities, obligations and duties of the national banking association and to have succeeded to all of its relationships, fiduciary or otherwise, as fully and to the same extent as if such property, rights, powers, franchises, debts, liabilities, obligations, duties and relationships had been originally acquired, incurred or entered into by the resulting state bank; provided, however, that the resulting state bank shall not, through such conversion or merger, acquire power to engage in any business or to exercise any right, privilege or franchise which is not conferred by the provisions of KRS Chapter 287 upon such resulting state bank;

(c) Any reference to the national banking association in any contract, will or document, whether executed or taking effect before or after the conversion or merger, shall be considered a reference to the resulting state bank if not inconsistent with the other provisions of the contract, will or document;

(d) A pending action or other judicial proceeding to which the national banking association is a party, shall not be deemed to have abated or to have discontinued by reason of the conversion or merger, but may be prosecuted to final judgment, order or decree in the same manner as if the conversion or merger had not been made; or the resulting state bank may be substituted as a party to such action or proceeding, and any judgment, order or decree may be rendered for or against it that might have been rendered for or against the national banking association if the conversion or merger had not occurred.

Section 143. KRS 287.360 is amended to read:

(1) The holders of stock issued prior to May 16, 1936 by a corporation doing a banking or trust business shall be individually liable for all liabilities of the corporation to the extent of the amount of their stock at par value in addition to the amount of their stock unless such additional liability has been terminated as provided in subsection (2).

(2) Any corporation may cause a termination of the additional liability imposed in subsection (1) on its shareholders by causing notice of such prospective termination of liability to be published *pursuant to KRS Ch. 424* [in a newspaper published in the city or county in which it is located, or if no newspaper is published in the city or county, then in a newspaper of general circulation therein]. The additional liability shall terminate six months after such publication.

(3) Persons holding stock, described in subsection (1), in a fiduciary capacity shall not be personally liable as stockholders but the estate in their hands shall be liable in the same manner and to the same extent as the property of other stockholders.

(4) No transfer of stock shall release liability, imposed by subsection (1), existing at the time of the transfer if the action to enforce such liability is commenced within two years from the time of the transfer.

(5) Each January the directors of each corporation upon whose stock double liability is imposed by this section shall file with the director of banking a correct list of stockholders and officers of the corporation.

Section 144. KRS 287.420 is amended to read:

Within ten days after the *Commissioner of Banking and Securities* [director of banking] calls upon a bank or trust company, it shall publish *pursuant to KRS Ch. 424 on a form furnished by the Commissioner,* a condensed statement of its financial condition, at the close of business on the date named in the call. The *Commissioner of Banking and Securities* [director] may make the call at any time he desires and shall make at least two calls in each year. [The condensed statement, made on a form furnished by the director of banking, shall be published in some newspaper of general circulation, published in the city where its principal place of business is located, or if no paper is published in the city, then in some newspaper of general circulation in the county where its principal place of business is located]. Such published statement shall show the total amount of loans, overdrafts, money invested in bonds and other securities, money due from banks, checks and other cash items, cash on hand, capital paid in, surplus fund, undivided profits (less expense and taxes paid), money due to other banks, individual deposits subject to check, demand certificates of deposit, time deposits, outstanding certified checks and cashier's checks and such other items as will show the actual financial condition of the bank or trust company making the report. The bank or trust company shall send a copy of the report, certified to by the publisher, to the *Commissioner of Banking and Securities* [director of banking] as a part of its next succeeding report. The reports shall be signed and sworn to by the president, vice president or cashier, and signed by at least three of the directors.

Section 145. KRS 287.600 is amended to read:

(1) Whenever the *Commissioner of Banking and Securities* [director of banking], in person, or by deputy or by an examiner, takes charge of any bank or trust company he shall, within thirty days, file in the office of the circuit clerk of the county in which the institution is located, a detailed statement showing the assets and liabilities of the institution, and thereafter upon the first day of the term of each succeeding session of the circuit court of such county, and every sixty days in counties having circuit courts of continuous sessions, he shall file a report of his actions in the administration of such institution since his last report. Any person may, by petition addressed to

the circuit court, have any act of the director of banking reviewed by the court, in the same manner as though such person were a receiver appointed by the court.

(2) The *Commissioner of Banking and Securities* [director of banking] shall cause [weekly] notice to be given by *publication pursuant to KRS Ch. 424,* [for three consecutive months, by advertisement in the newspapers in which the institution's semi-annual reports are published], calling on all persons who [may] have claims against the insolvent institution to present their claims to the director of banking, and to make legal proof thereof, at a place and within a time not more than six months after the [last] date of publication, to be therein specified. He shall mail a copy of such notice to all persons whose names appear as creditors upon the books of the institution.

(3) If the *Commissioner of Banking and Securities* [director] doubts the justice and validity of any claim, he may reject the claim and serve written notice of such rejection upon the claimant, either by mail or personally. An affidavit of the service of such notice shall be prima facie evidence thereof, and shall be filed with the director of banking. An action upon a claim so rejected must be brought within six months after such notice.

(4) Claims presented after the notification of the time fixed in the notice to creditors, shall be entitled to share ratably in the distribution to the extent of the assets in the hands of the director of banking, equitably applicable thereto.

Section 146. KRS 287.630 is amended to read:

(1) Whenever in the opinion of the *Commissioner of Banking and Securities* [director of banking] and of a majority of the members of the respective boards of directors of the banks concerned, an emergency exists warranting an immediate transfer of such assets and liabilities, the board of directors of any bank, by a majority vote, may transfer the assets and liabilities of such bank to another bank or banks, without the vote or approval of the stockholders of each bank which is a party to the proposed transfer.

(2) No such transfer shall be made without the consent of the *Commissioner of Banking and Securities* [director of banking] and each bank which is a party to such transfer shall file with the *Commissioner of Banking and Securities* [director of banking], certified copies of all proceedings had by its board of directors, with a complete copy of the agreement entered into by such banks.

(3) Notice of a transfer of assets and liabilities made pursuant to the provisions of this section shall be given by publication *pursuant to KRS Ch. 424* [in a newspaper of general circulation, in the county where the principal office of each bank, party thereto, is located. Such notice shall be published once each week for four consecutive weeks

immediately following the transfer] and a certified copy thereof shall be filed in the office of the *Commissioner of Banking and Securities* [director of banking].

Section 147. KRS 100.810 is amended to read:

(1) Within ninety days after the time fixed for the filing of claims, the board of appraisers shall file its tentative report with the clerk of the legislative body, setting forth its findings as to the amount of compensation to be paid the respective owners of the lands included within the lines of reservations as located on the approved plat. Thereupon the clerk of the legislative body shall publish *pursuant to KRS Ch. 424* [once a week for two consecutive weeks in at least one newspaper of general circulation in the city] the fact of the filing of the report of the appraisers and specify a period of thirty days after the date of the first publication within which objections to the report may be filed with the clerk of the legislative body.

(2) If objections are filed within this period, the clerk shall cause the board of appraisers to hold a meeting, at which the objections shall be transmitted to the board, and the board may modify its report. The report in its original or modified form shall be transmitted to the legislative body by its clerk. Before passing on the report, the legislative body may return it to the board of appraisers for reconsideration, and the board may upon further consideration transmit its former or a modified report to the legislative body for approval.

(3) If the report is approved by the legislative body, it shall provide for the payment of the compensation set forth in the report within ninety days after the filing of the report with the legislative body. In the case of those property owners who file claims, payment shall be made through the clerk of the legislative body, who shall notify the claimants at the addresses given upon the claims filed with him. Payments to all other persons shall be made through the circuit clerk of the county in which the reserved location is situated, by the payment to the circuit clerk of the amounts awarded to such persons. Notice of distribution shall be given and made as provided by a rule or order of the circuit court. Payments made to the clerk of the legislative body or circuit clerk within ninety days shall be compliance with the requirement for payment within ninety days.

(4) If the legislative body disapproves the report or fails to provide for payment within ninety days, such disapproval or failure shall be a dismissal of the proceedings and a cancellation of the plat and an abandonment of the reservations of the street locations as shown on the plat, and the city shall be liable to the owner of land included within the abandoned reservation for the expenses incurred by the owner by reason of the reservation. The clerk of the legislative body

shall in such case cause to be transmitted to the county clerk an attested statement of the abandonment.

Section 148. KRS 103.320 is amended to read:

(1) Any and all bonds shall have and are hereby declared to have in the hands of bona fide holders all of the qualities of negotiable instruments under the law merchant, and shall not be subject to taxation. In case any of the officers whose signatures or countersignatures appearing on the bonds or coupons shall cease to be such officers before the delivery of such bonds, such signatures or countersignatures shall nevertheless be valid and sufficient, for all purposes the same as if they had remained in office until such delivery.

(2) Such bonds may be exchanged, at not less than par for par with the holders of presently outstanding courthouse holding company bonds, when for any reason it is impossible to call said bonds for redemption, or for any other reason it is more practical or desirable to effect such exchange. If said bonds are not exchanged they shall be sold in such manner and upon terms as the fiscal court shall deem for the best interest of the county, at public sale, to the highest and best bidder, upon sealed bid, after publication of an advertisement of such sale *pursuant to KRS Ch. 424* [once, at least ten days prior thereto, in a newspaper of general circulation in Kentucky].

(3) Such bonds when issued shall be payable from the revenue funds derived from such buildings as provided in KRS 103.370 and 103.380 and shall not constitute an indebtedness of such county within the meaning of the constitutional provisions or limitations. It shall be plainly stated on the face of such bond that the same has been issued under the provisions of KRS 103.290 to 103.410 and that it does not constitute an indebtedness of such county or the Commonwealth of Kentucky within the meaning of any constitutional provisions or limitations.

Section 149. KRS 104.250 is amended to read:

Notice of such hearing, setting out the substance of all matters required to be in the initial resolution, shall be published *pursuant to KRS Ch. 424* [at least once and at least ten days before the date of the hearing in a newspaper published and of general circulation in such city or, if there be no newspaper published in such city, then in a newspaper of general circulation in such city]. Publication of the text of *the* [such] initial resolution shall be deemed a compliance with this section.

Section 150. KRS 104.280 is amended to read:

The construction, acquisition, equipment, maintenance and operation, extension or enlargement of any flood control system established under KRS 104.210 to 104.380 shall be under the supervision and control of the governing authority of such city or of the board of public works of such city, if any there be. Any work in connection with the establishment of such flood control system may be done by contract or any such city may employ labor and acquire materials and cause the work to be done and establish such system without the execution of a contract. If a contract for the doing of all or any portion of the work is let then it shall be let upon competitive bidding to the lowest and best bidder, but not until after advertisement therefor has been published *pursuant to KRS Ch. 424* [at least once in a newspaper of such city ten days prior to the time fixed for the reception of bids]. The governing body of any such city shall have the authority to reject all bids and to waive informalities. The contractor shall be required by the city to give bond for the faithful discharge of his contract in an amount and with a surety approved by the governing body of said city. When any work shall have been completed it shall be accepted by the governing body of the city and the fact of such acceptance entered upon the minutes of the governing body.

Section 151. KRS 104.530 is amended to read:

When seventy percent of those qualified within the boundary fixed by the commissioner are found to have petitioned for the establishment of a flood control district, and the commissioner has established the boundaries thereof, the commissioner shall give notice of the application for the creation of the district *by publication pursuant to KRS Ch. 424* [, by posting the notice in at least ten places in the area proposed to be organized into a district, or by publishing it in at least two consecutive, regular editions of a newspaper of general circulation in the proposed district].

Section 152. KRS 104.610 is amended to read:

(1) The board of directors shall, upon taking oath, elect one of their members as president of the board, and shall select some suitable person as secretary, who need not be a member of the board. The secretary shall serve as treasurer of the district, or the board may select a treasurer. The selection of the secretary and treasurer shall be evidenced on the minutes of the board with their compensation. He or they shall serve at the pleasure of the board.

(2) The board shall adopt a seal, and shall keep in a well-bound book a record of all proceedings, minutes of meetings, certificates, contracts, bonds given by employes, and all corporate acts, which shall be open to the inspection of any owner of property in the district as well as all other interested persons.

(3) The board of directors shall be the governing body of the flood control district, and shall exercise all the powers and manage and control all of the affairs and property of the district.

(4) No compensation shall be paid to directors, but each director

shall be reimbursed for expenses incurred in attending meetings or for expenses incurred in other activities authorized by the board of directors as necessary for carrying out the purposes of the flood control district.

(5) The board of directors may adopt all necessary rules and regulations for the proper management and conduct of the business of the board and of the corporation, and for carrying into effect the other objects for which the district was formed. The board of directors may also make and enforce rules and regulations pertaining to the use by persons of land or properties connected with or a part of the flood control works. All such rules and regulations shall become effective on the date when a notice of their adoption *is published pursuant to KRS Ch. 424* [appears in a newspaper of general circulation in the district]; such notice shall not contain the rules and regulations in full but shall only summarize their contents and shall state where any interested person may examine the full texts of such rules and regulations.

(6) The board of directors may recover by civil action from any person or public corporation violating such rules and regulations a sum not less than one hundred dollars nor more than one thousand dollars, together with costs. The board may enforce by mandamus or otherwise all necessary and authorized rules and regulations made by it, and may take summary action to remove any improper construction or to terminate any unauthorized practices in connection with flood control works. Any person or public corporation wilfully failing to comply with rules and regulations of the board shall be liable for damages caused by such failure and for the cost of renewing or replacing any part of the flood control works damages or destroyed.

(7) The board of directors shall have an annual audit made by a certified public accountant, copies of which shall be filed with the Secretary of State and with the county judge of the county or counties in which the flood control district is located.

Section 153. KRS 104.650 is amended to read:

All contracts for work, materials or supplies that may exceed five hundred dollars shall be advertised for bids *by publication pursuant to KRS Ch. 424* [, not less than seven days before bids are to be received, by notice published once a week for two consecutive weeks (publication being complete on date of last publication) in at least one newspaper of general circulation within the district where the work is to be done or the materials or supplies used]. The contract shall be let to the lowest and best bidder who shall give bond with approved and ample surety for the faithful performance of the contract. [The notice shall specify the general nature of the bid sought, the time and date bids are to be received, and where and how more specific information can be obtained.] The contract shall be in writing, in duplicate, and shall be accompanied by or refer to plans and specifications for the work to be done, prepared by the chief engineer. The plans and specifications shall be made and considered a part of the contract. The contract shall be adopted by the board and signed by its president and by the contractor, and shall become part of the records of the district.

Section 154. KRS 106.200 is amended to read:

No city of the second, third, fourth, fifth or sixth class which owns a waterworks system shall sell, convey, rent or lease said system without the assent of two-thirds of the total number of the legal voters of the city, voting at an election held for that purpose after [sixty consecutive days] notice of the election [next before the date of the election] has been published *pursuant to KRS Ch. 424* [in the newspaper having the largest circulation in the city]. [In the event that no newspaper is published in the city, notice shall be given by handbills posted up in at least ten public places in the city for not less than sixty days prior to the date of the election]. This section shall not apply to the issuance of revenue bonds provided for under the provisions of this chapter.

Section 155. KRS 106.260 is amended to read:

(1) Bonds issued pursuant to this chapter by water district commissioners and by a legislative body of a municipality may be issued in one or more series, may bear such date or dates, may mature at such time or times, not exceeding forty years from their respective dates, may be in such denomination or denominations, may be in such form, either coupon or registered, may carry such registration and conversion privileges, may be executed in such manner, may be payable in such medium of payment, at such place or places, may be sold or hypothecated in such blocks, may be subject to such terms of repurchase or redemption of all or any of said bonds before maturity in such manner and at such price or prices, not exceeding one hundred and five and accrued interest, as may be fixed by the board prior to the sale of the bonds.

(2) The board at any time may issue and sell revenue bonds to finance improvement or issue and sell refunding bonds for the purpose of providing funds for the payment of any outstanding bonds issued in accordance with the provisions of this chapter. Such new bonds shall be issued, sold and secured in accordance with the provisions of this chapter for the issuance of the original revenue bonds.

(3) All revenue bonds issued pursuant to the provisions of this chapter in the hands of bona fide holders, shall have all the qualities and incidents of negotiable instruments under the law merchant. All bonds shall be sold to the highest responsible bidder at such time and place as shall have been fixed by the board in the notice of the sale of said bonds, which notice shall have been advertised *by pub-*

lication pursuant to KRS Ch. 424 [once each week for at least two consecutive weeks in a newspaper of general circulation in said municipality]. The board shall receive written, sealed competitive bids, which shall be publicly opened and read at the time and place specified in the notice of sale. The board may reject all bids and readvertise. No revenue bonds shall be sold for less than par, plus accrued interest, and no bonds shall bear interest at a rate in excess of six percent per annum, interest payable semi-annually.

Section 156. KRS 107.030 is amended to read:

If a municipality desires to authorize, construct, and finance an improvement pursuant to this chapter, its governing body shall initiate the proceedings by adopting an ordinance, herein called the "First Ordinance," in which announcement shall be made (1) of the public way or ways (which need not be contiguous) proposed to be improved and the geographical limits of the proposed improvement in such manner as to identify the benefited properties, and/or (2) the identity of the property or properties to be benefited by sewer installations (which may include a sewage treatment plant) which properties may be identified by naming the public way or ways upon which they abut, if any, or by geographical location; and in either case the nature and scope of the improvement, a preliminary estimate of the costs thereof, as submitted in writing by an engineer, or firm of engineers, holding a license from the Commonwealth of Kentucky, and the amount, if any, which the city proposes to appropriate from available city funds toward the estimated cost. In all succeeding proceedings, the city shall be bound and limited by the preliminary report of the engineer, or engineers, with regard to the nature, scope, and extent of the proposed improvement project (unless the First Ordinance be amended, as hereinafter provided); but shall not be bound by, or limited to, the preliminary estimate of costs. The costs shall be determined upon the basis of construction bids publicly solicited as hereinafter provided, and shall be binding upon the city, and upon the owners of property to be benefited by the proposed improvement project, whether the same turn out to be equal to, below, or above such preliminary estimate. Architects, engineers, and fiscal agents may be employed without advertising or competition. The First Ordinance shall provide for a public hearing at a time and place specified therein (not less than one week after publication) and shall give notice that at such hearing any owner of property to be benefited may appear and be heard as to (1) whether the proposed project should be undertaken or abandoned, (2) whether the nature and scope of the project shall be altered, (3) whether the project shall be financed through the issuance of bonds according to the "assessed value basis," authorized by this chapter, or (4) whether the project shall be financed through assessments made and apportioned on a front-foot basis, as may otherwise be authorized by law. The First Ordinance shall be published *pursuant to KRS Ch. 424* [as ordinances are required to be published, and if there be no requirement of publication, it shall, nevertheless, be published one time in a newspaper published in the city, or of general circulation in the city, or by posting copies in typewritten, mimeographed, or printed form in such number of public places in the city as the governing body may in said ordinance provide]. The First Ordinance may designate a person, who may be the mayor, (or the chairman of the board of trustees) a member of the governing body, or any city official, to preside at and conduct such public hearing. In the absence of such designation in the ordinance, the mayor, chairman of the board of trustees, or a person designated by the mayor or chairman shall preside. Notwithstanding the foregoing, such public hearing shall not be deemed irregular or improper if it is in fact presided over and conducted at the designated time and place by any elected city officer or member of the governing body.

Section 157. KRS 107.080 is amended to read:

Proposals for the construction of the project shall be solicited upon the basis of the submission of sealed competitive bids after [public] advertisement, *by publication pursuant to KRS Ch. 424* [as provided by the general laws applicable to the city in question]. Upon or after the acceptance by the governing body of a bid, or combination of bids, the governing body may determine the principal amount of bonds to be issued for the proposed project, taking into account the amount of the accepted bid or bids, and all other costs of the project, as herein defined. Each contract shall be supported by a performance bond for the full amount thereof, with good surety to be approved by the governing body.

Section 158. KRS 107.100 is amended to read:

After the Third Ordinance has been adopted (and without regard for its date of publication), the city may solicit the submission of bids or proposals for the purchasing of the bonds authorized by the Third Ordinance, the same to be received upon a sealed competitive basis after advertisement by publication *pursuant to KRS Ch. 424* [one time in a newspaper of general circulation throughout the Commonwealth of Kentucky, not less than seven days before the date set for the opening and consideration of such bids]. Such bids or proposals may be solicited on the basis of competition as to price and/or interest coupon rates, as may be specified in the published notice, and bids offering less than the par or face value of the bonds may be considered and accepted if so stated in the published notice of the sale. If no bids are received upon terms acceptable to the governing body and conforming to the published notice, bids may again be solicited by similar published notice, until a purchase bid is received upon terms acceptable to the governing body, but the bonds, or a portion thereof, may be awarded to a contractor, or contractors, as provided in KRS 107.200.

Section 159. KRS 108.050 is amended to read:

(1) The question of the establishment of an urban services district shall be submitted to the voters of the district if a petition bearing the signatures of the number of registered voters of the area to be embraced within the district equal to at least ten percent of the vote cast for county judge in that district at the last election is filed with the county court. The election on creation of the district shall be held at the next regular election if the petition is filed at least ninety days prior to the date for the regular election. The petition shall state that establishment of the district is being sought pursuant to the provisions of this chapter, shall state the official name by which the district shall be known, and shall prescribe the territory intended to be included in the district.

(2) If the county court finds the petition is in proper order and the creation of the district will be in accordance with the provisions of this chapter, a certified copy of the order of the county court directing that the question be submitted to a vote shall be filed with the county court clerk at least forty-five days prior to the next regular election. The county court clerk shall give notice of the petition by *publication pursuant to KRS Ch. 424* [publishing it in two consecutive editions of a newspaper of general circulation within the proposed district]. The county court clerk shall cause the question to be submitted to a vote at the election. The question shall be in the following form: "Are you in favor of establishing ________________ (name of district) as an urban services district?" If a majority of those voting on the question vote in the affirmative, the district shall be established. The cost of the election shall be paid by the fiscal court.

(3) The Governor shall, immediately upon certification that the district has been established, appoint a qualified person as director and five qualified persons as members of the council.

Section 160. KRS 116.190 is amended to read:

Whenever the public convenience or the public good requires it, the county court of any county may change the boundaries of any election precinct in the county, or divide any precinct into two or more precincts, or consolidate two or more precincts into one, but no change, division or consolidation shall be made after the June term of the court next preceding an election. No change, division or consolidation shall be valid unless [due] notice is given, [at least one month before any election,] by [one] publication *pursuant to KRS Ch.* 424 [in the newspaper published in the county that has the largest circulation therein, or by posters put up in four of the most public places in the precinct].

Section 161. KRS 117.810 is amended to read:

(1) The county boards of registration and purgation may examine the registration lists and registration books in the county clerk's office as often as they deem advisable, or the boards may proceed upon the challenge by any citizen or political executive committee having representation upon the State Board of Election Commissioners, and shall examine the registration books after the closing date of the books for registration and before any primary or regular election, for the purpose of removing from the lists or books the names of persons who have, since the date of their registration, died, moved or otherwise become disqualified to vote. If a county board of registration and purgation, upon investigation, has reasonable grounds to believe that there are names upon the registration lists or books of persons who have died, moved or otherwise become disqualified to participate in any regular, special or primary election, the board shall prepare a list of such names. When the board challenges, or upon the challenge of any citizen or political executive committee having representation upon the State Board of Election Commissioners, the registration of any voter, it shall immediately notify the voter in writing, by first-class mail, at his place of residence shown upon the registration list or book that his right to vote in the primary or regular election has been challenged and that his name will be stricken from the registration list or books unless he appears before the board within five days from the date of the notice and shows cause why his name should not be stricken. If the voter appears and desires to be heard upon the challenge, the board shall hear and determine whether or not the name of the voter should remain upon the registration lists or books, and no name shall be stricken from the registration lists or books until the voter has been given an opportunity to be heard. If the board determines that the voter is legally registered, his name shall remain upon the registration lists or books. If after a hearing the board determines that the name of the voter is illegally or improperly upon the lists or books, it shall enter an order directing the county clerk to strike the name of the voter therefrom. If, after the notice, as herein provided, the voter fails to appear before the board and contest the challenge, it shall be prima facie evidence that his name illegally or improperly appears upon the registration lists or books, and the board, without further hearing, shall strike his name therefrom. After completing its purgation of the registration lists of a county, the board shall notify the county clerk of all names purged by it. Challenges by a committee or citizen must be made within ten days after the registration books close before a primary or general election, and shall be in writing, giving the name

and address of the challenged voter and the reason therefor. The board shall then meet on the eleventh day following the closing of the books and may sit for five days, which need not be consecutive days, the last day to be not less than twenty days prior to the primary or general election.

(2) The failure of any person to vote at any primary or regular election for two consecutive years, as shown by the voting record of such person on his registration record, shall constitute a cause for challenge of any such person, and the board may challenge and ascertain, in the manner provided in subsection (1) of this section, such person's right to remain registered.

(3) The county board may, whenever it deems necessary, order a house-to-house canvass. The procedure shall be the same as provided in KRS 117.820 and 117.825 except that the determination to house-to-house canvass is in the discretion of the board, and shall only be made in such precincts as the board shall order. The compensation of the canvassers shall be fixed by the fiscal court.

(4) The registrar of vital statistics for each county shall furnish to the county clerk of his county, at least once a month, a certified report containing the names and addresses of all persons whose death, occurring in the county during the month immediately preceding, has been reported to the registrar. Each circuit clerk shall furnish to the county clerk, at least once a month, a certified report containing the names and addresses of all persons who, during the month immediately preceding, have been adjudged insane by the circuit court or convicted in that court of any offense that operates as an exclusion from suffrage, the nature of the offense to be stated in the report. Immediately upon receipt of such reports of deaths, adjudications of insanity and convictions, the county clerk shall submit such information to the board who shall verify it and notify the person affected, in such written form as it adopts, at the address appearing on the registration. If no protest is filed within five days, the registration record of the person shall be cancelled. If protest is filed within that time, the clerk shall investigate the matter and shall not cancel the record until after the protestant has been given an opportunity to be heard.

(5) When the mail notices required herein are returned unclaimed, the county board shall cause the names of the persons affected by such notices to be published *pursuant to KRS Ch. 424* [in at least one issue of the newspaper with the largest circulation in the county].

Section 162. KRS 117.812 is amended to read:

(1) Not less than ninety days prior to each primary election for state-wide officers the county registration and purgation board shall notify by first class mail each registered voter in the county

at the address listed on his registration record that if he moves from his present precinct to another within the county without having his registration record transferred as provided in KRS 117.645 by the day on which the registration books are closed, he will be disqualified from voting.

(2) The name and address of the county registration and purgation board shall be indicated in the upper left hand corner of the envelope with the following notation: "If undeliverable at address shown, return to sender immediately without recourse to directory service." When the mailed notice is returned as provided herein, the county purgation board shall immediately cancel the registration record of the voter and the names of the purged voters shall be published *pursuant to KRS Ch. 424* [in a newspaper of the largest general circulation within the county not less than seventy days prior to the primary election]. Any voter so purged may, however, have his name reinstated by submitting sufficient proof to the board that he is still a legal resident of the precinct. Reinstatement may be made during the period the registration books are closed but not later than twenty days before the primary.

(3) If any county registration and purgation board fails or refuses to perform its duties as required by this section, any citizen or candidate may, and the Commonwealth's Attorney or the Attorney General shall when so requested by the state registration and purgation board, apply to the circuit court of the county for a summary mandatory order to require compliance. If the circuit court finds that the county board has not complied with the provisions of this section it shall issue such summary mandatory order.

Section 163. KRS 118.050 is amended to read:

The county court of each county shall establish the voting place in each precinct and there shall be only one voting place in each precinct. The county court may change the place of holding elections whenever the public convenience or public good requires, but no such change shall be made after the June term of the court preceding an election, and no such change shall be valid unless notice is given [, at least one month before the election,] by [one] publication *pursuant to KRS Ch. 424* [in the newspaper having the largest circulation among those published in the county, or by posters put up in four of the most public places in the precinct]. If, for any good cause, an election cannot be held at the house appointed as the place of voting, the judges of the election may, on the morning of the election, adjourn it to the most convenient place, after having publicly proclaimed the change and posted notice thereof on the house.

Section 164. KRS 118.420 is amended to read:

(1) The State Board of Election Commissioners shall issue certificates of election where the successful candidate was voted for by the state at large or by a district greater than one county.

(2) The State Board of Election Commissioners shall meet, to count and tabulate the votes received by the different candidates as certified to the Secretary of State under KRS 118.400, when the returns are all in, or on the third Monday after the election whether they are in or not, but if all the returns are not made the right to contest an election shall not be impaired. Any two of the members of the board may act in the absence of the third. The board shall make out the certificates of election in the office of the Secretary of State, from the returns made. The board shall make out duplicate certificates of election, in writing, over the signatures of its members. The board shall forward the original certificate, by mail, to the elected candidate, unless he has failed to comply with KRS 123.060, 123.070 or 123.080. The duplicate shall be retained in the office of the board. In the case of the election of a Representative in Congress, an additional certificate shall be made and sent, by mail, to the clerk of the House of Representatives.

(3) The Secretary of State, immediately after the comparison of the returns, shall cause a statement therefrom of the votes given in every county for each candidate to be published *pursuant to KRS Ch. 424* [in two newspapers].

(4) The certificate of election shall be issued to the candidate receiving the highest number of votes in the territory from which the election is to be made. If two or more persons are found to have received the highest and an equal number of votes for the same office, the election shall be determined by lot in such manner as the board directs, in the presence of not less than three other persons. In the case of elections for electors of President and Vice President of the United States, the board shall issue a certificate of election to each elector of the political party or organization whose candidates for President and Vice President received the highest number of votes and the determination by the board that the candidates of any political party or organization for President and Vice President have received the highest number of votes shall constitute a determination that the electors nominated by that party have been elected.

Section 165. KRS 118.430 is amended to read:

(1) Whenever an amendment to the constitution has been adopted by the General Assembly, the Governor, Attorney General and Secretary of State shall cause the proposed amendment [to be published at least four times in two newspapers of general circulation published in this state, and shall also cause to be published at the same time] and [in the same manner] the fact that the amendment will be submitted to the voters for their acceptance or rejection

at the next regular election at which members of the General Assembly are to be voted for, *to be published pursuant to KRS 424, except that one publication shall be made* [The publication shall be made so that the last publication will be] at least ninety days preceding the election at which the amendment is to be voted on.

(2) The Attorney General shall state the substance of the amendment in the form of a question in a manner calculated to inform the electorate of the substance of the amendment, and shall certify the question to the Secretary of State for inclusion upon the ballot. The Secretary of State, not less than fifty days before the next regular election at which members of the General Assembly are to be chosen, shall certify the substance of the amendment, as stated and certified by the Attorney General, to the county clerk of each county, and the county clerk shall have the substance of the amendment, as so certified, indicated on the ballot as provided in KRS 118.170.

(3) The votes cast for and against the amendment shall be counted, canvassed and certified to the State Board of Election Commissioners in the same manner as the votes cast for any officer elective by the votes of the whole state. If a majority of the votes cast on the question are for the amendment, it shall become a part of the Constitution. The result of the vote shall be published by the Secretary of State *pursuant to KRS Ch. 424.* [in two daily newspapers of general circulation published in this state.]

(4) The expenses of the publications provided for in this section shall be paid as are the expenses of other publications that the Secretary of State is required to make in connection with elections.

Section 166. KRS 119.190 is amended to read:

[Not less than twenty days before the primary election] The county clerk of each county shall publish *pursuant to KRS Ch. 424 and shall post notice at the courthouse,* under the proper party designation and title of each office the names of all persons certified to him by the Secretary of State, in the order in which they were certified, and of all persons for whom nomination papers have been filed with the county clerk. Only the names of persons who have substantially complied with provisions of KRS 119.050 to 119.080 shall be published. The names shall be published in the order in which they are to be printed on the ballots. [The publication shall be done by posting a notice at the door of the courthouse and causing the list to be printed once in a newspaper of general circulation in the county.] The county shall pay the cost of printing.

Section 167. KRS 121.010 is amended to read:

Except as provided in KRS 122.120, when a vacancy happens in the office of Governor, requiring an election, a proclamation therefor shall be issued by the Chief Justice of the Court of Appeals, or if he is absent from the state or unable to act, by one of the associate justices. The proclamation shall be published *pursuant to KRS Ch. 424* [, at least thirty days before the election, in two newspapers printed at the Capital, if there are such newspapers].

Section 168. KRS 121.020 is amended to read:

When an election is to be held to fill a vacancy in the office of Representative in Congress, a proclamation therefor, in lieu of a writ of election, shall be issued and signed by the Governor. The proclamation shall be published *pursuant to KRS Ch. 424* [, at least twenty days before the election, in two newspapers printed in the district in which the election is to be held, if there are such newspapers].

Section 169. KRS 121.050 is amended to read:

Immediately on receipt of a proclamation or writ of election, or other sufficient information thereof, the sheriff shall give notice thereof by *publication pursuant to KRS Ch. 424 and by handbills* [advertisements] posted at the courthouse door and at the several places of voting [, and published in some newspaper printed in the county, if there is any].

Section 170. KRS 122.170 is amended to read:

(1) Any elector who was qualified to and did vote on any Constitutional amendment submitted to the voters of the state for their ratification or rejection may contest the election or demand a recount of the ballots by filing a petition, not more than fifteen days after the official canvass and the announcement of the vote for the state by the State Board of Election*s* [Commissioners], with the clerk of the Franklin Circuit Court, which court shall have exclusive jurisdiction to hear and determine all matters in such cases. The petition shall set forth the grounds of the contest. The contestant may file with the clerk of the Franklin Circuit Court and the Secretary of State a notice of his intention to contest the election before the announcement of the official count by the State Board of Election*s* [Commissioners], and thereupon the Secretary of State shall forthwith notify all the county boards of election commissioners in the counties involved in the contest to hold the ballots cast at the election on the question subject to the order of the Franklin Circuit Court. The notice shall be served by the Secretary of State by mailing a true and certified copy of the notice of contest, and the order to hold the ballots subject to the order of the court, by registered mail to the sheriffs of the counties in question, and the sheriffs shall forthwith acknowledge receipt thereof.

(2) If the Franklin Circuit Court is not in session at the time the petition of contest is filed, the clerk of the court shall immedi-

ately notify the judge of the filing of the petition. The judge shall, within five days after the filing of the petition of contest, determine whether there are sufficient grounds stated to justify the contest, and shall thereupon require the contestants to give bonds for costs. All of the hearings relating to the contest shall be held in the courthouse of Franklin County.

(3) The clerk of the Franklin Circuit Court shall cause a notice of the contest to be published [in some paper of general circulation in the state within two days after the contest is filed,] setting out [in the publication] the substance or the grounds of contest alleged by the contestants *pursuant to KRS Ch. 424.*

(4) Any elector who participated in the election on the amendment may make himself a party as contestee in the action by filing his petition to be made a party not later than five days after the contest is instituted, and by giving bond of the costs as required of the contestant. If no elector makes himself a party to the contest, the Commonwealth's attorney for the Franklin Circuit Court shall attend the trial of the cause, and he may file such motions and pleadings in the cause on behalf of the Commonwealth as will insure a fair and honest determination of the contest.

(5) All laws relating to contested elections for state offices shall apply with equal force to contests of the character contemplated by this section, except as otherwise provided in this section and in KRS 122.180.

Section 171. KRS 132.110 is amended to read:

(1) Within five days after the filing of the petition for referendum, the Secretary of State shall transmit to the county court of each county in which petitioners reside the sheets containing the names of the petitioners of that county. The county judge shall thereupon set a date not less than ten nor more than fifteen days thereafter when interested persons may appear and present proof as to the genuineness of signatures and the qualification of petitioners. After hearing proof, the county judge shall determine the number of legal voters of his county who have signed the petition, cause the same to be entered upon the order book and certify it to the Secretary of State.

(2) Within thirty days after receiving from the county courts certification that a number of legal voters constituting in the aggregate five percent of the vote of the entire state have signed a petition for referendum, the Secretary of State shall cause the proposed Act or the parts thereof affected [to be published upon at least four separate dates in two papers of general circulation published in the state, and shall also cause to be published at the same time] and [in the same manner] the fact that the Act will be submitted to the

voters for their acceptance or rejection at the next general election *to be published pursuant to KRS Ch. 424.*

Section 172. KRS 132.660 is amended to read:

(1) The Department of Revenue shall have authority to order an emergency assessment of all or any part of the taxable property in any taxing district to be made by one or more persons appointed for that purpose by the department, whenever: there has been no regular assessment; the records of an assessment have been destroyed, mutilated or lost; complaint is made by the owners of not less than ten percent in value of the taxable property in the taxing district; or investigation of the department discloses that the assessment of property in such taxing district is so grossly inequitable or fiscally infeasible that an emergency exists. The order directing such emergency assessments shall state the reasons therefor and a copy shall be filed in the office of the clerk of the county court where the property lies. Such order, when filed, shall void any assessment for the assessment year for which the emergency assessment is made. Any person appointed to make such an emergency assessment shall have the same powers and duties as the tax commissioner. Whenever the tax roll has been completed under an emergency assessment and the tentative valuations have been determined, the department shall cause to be published *pursuant to KRS Ch. 424,* [in the newspaper having the largest bona fide circulation in the county] a notice as to the date when the tax roll will be ready for inspection and the time available for such purpose; also a copy of the notice shall be posted at the courthouse door. If any property is assessed at a greater value than that listed by the taxpayer or unlisted property is assessed, the taxpayer shall be charged with notice of such action by reason of the inspection period, and no further notice need be given of such action taken before the beginning of the inspection period. At the close of the inspection, the tax roll shall be delivered to the county court clerk and the county judge shall immediately convene the board of supervisors to hear and determine any appeals from such emergency assessment. The board shall remain in session for the time and shall receive the compensation as provided in KRS 133.030 (2). Appeals shall be taken and heard from such emergency assessments in the same manner as appeals from regular assessments.

(2) The department may appoint the tax commissioner to make an emergency assessment provided he was not at fault, and if the tax commissioner is so appointed he shall receive reasonable compensation for his services in making this assessment, which shall not affect in any manner the payment to him of any compensation that he has received for himself or on behalf of a deputy or that may be due him, for services in making the regular assessment. Whenever through the tax commissioner's fault an emergency assessment is

ordered, the tax commissioner shall become liable for the cost thereof as provided in KRS 132.620, such cost to be limited to the amount due or paid him in accordance with the provisions of KRS 132.590.

Section 173. KRS 133.045 is amended to read:

The tax roll shall be open for inspection in the tax commissioner's office from April 15 to May 1, 1954, and for five days beginning on the first Monday in May of each year thereafter. In case of necessity, the Department of Revenue may order a reasonable extension of time for the inspection period of the tax roll or it may order that the inspection period be at a different time than that provided herein. [It shall be the duty of] The tax commissioner *shall* [to] publish *pursuant to KRS Ch. 424,* a notice as to the time of the inspection period [in the newspaper having the largest bona fide circulation in the county at least three days before the beginning of such period]. The cost of such notice shall be paid by the fiscal court of the county. Such notice shall also be posted at the courthouse door. Failure to publish or post notices when the inspection period is at the regular time as provided in this section shall not invalidate assessments made by the county tax commissioner and recorded on the tax roll prior to the inspection period.

Section 174. Subsection (4) of KRS 134.215 is amended to read:

(4) For purposes of accounting for unpaid and partially paid tax bills, either the outgoing sheriff, the incoming sheriff, or both, may, by giving advance notice *by publication pursuant to KRS Ch. 424,* [in a local newspaper of general circulation in the county] refuse to accept payment of ad valorem taxes during any or all of that portion of their terms of office from January 1 through January 15. Irrespective of whether the office refuses to accept payment of taxes during any or all of this fifteen-day period, both the incoming and outgoing sheriffs shall have working access to the office facilities and to the records and mail of the sheriff's office relating to the payment, collection and refund of ad valorem taxes on property. Interest shall not be assessed or collected for the period during which payment of taxes is prohibited under the terms of this section.

Section 175. KRS 134.310 is amended to read:

(1) The sheriff shall annually settle his accounts for county and district taxes with the fiscal court, before making settlement with the Department of Revenue. At the regular October term each year the fiscal court shall appoint some competent person other than the Commonwealth's or county attorney to settle the accounts of the sheriff for money due the county or district.

The report of this settlement shall be filed in the county clerk's office and approved by the county court. The settlement shall show the amount of poll tax and ad valorem tax collected, and an itemized statement of the money disbursed.

(2) The settlement shall be published *pursuant to KRS Ch. 424* [for at least two weeks in a paper published and having general circulation in the county or, if there is no such paper, it shall be published by handbills posted at the front door of the courthouse and at least three other public places in the county]. The report of the settlement shall be subject to exceptions by the sheriff or by the county attorney, who shall represent the state and county, and the county court shall try and determine the exceptions.

(3) An appeal may be prosecuted by either party from the judgment of the county court on the settlement, in the same manner as provided by law for appeals from judgments of the quarterly court, except that the county attorney shall not be required to give an appeal bond; or actions may be instituted in any court of competent jurisdiction to correct the settlement. The settlement, when approved, shall be recorded in the county clerk's office.

(4) On the final settlement the sheriff shall pay to the county treasurer all money that remains in his hands, and take receipts as provided in KRS 134.300.

(5) In counties containing a population of less than seventy-five thousand, the sheriff shall file annually with his final settlement:

(a) A complete statement of all funds received by his office for official services, showing separately the total income received by his office for services rendered, exclusive of his commissions for collecting taxes, and the total funds received as commissions for collecting state, county and school taxes; and

(b) A complete statement of all expenditures of his office, including his salary, compensation of deputies and assistants, and reasonable expenses.

(6) There shall be deducted from the total of such expenses the total funds received by the sheriff's office, exclusive of commissions for collecting taxes. From the balance, if any, of such expenses, shall be deducted the commissions allowed for collecting state and county taxes as prescribed by subsections (1) and (2) of KRS 134.290. The balance, if any, of the expenses shall be paid to the sheriff from the commissions allowed to him for the collection of school taxes, but in no event shall the amount of such commissions exceed four percent of the total amount of school taxes collected by him. The amount paid the sheriff for collecting school taxes shall be prorated among the school districts in the county in the proportion that the amount of school taxes collected from each district bears to the total school taxes collected.

Section 176. KRS 178.170 is amended to read:

(1) The fiscal court, after an election as provided in subsection (2) may issue and sell bonds for the purpose of constructing or reconstructing public roads and bridges. The bonds shall bear interest not to exceed five percent per annum, with coupons attached, payable semi-annually, and shall be in denominations of not less than one hundred dollars nor more than one thousand dollars. The bonds shall mature within forty years, and may be redeemed within that time at the pleasure of the court, and shall be sold at not less than par value and accrued interest.

(2) Upon the petition of one hundred and fifty legal voters who are freeholders of the county, the county court shall, at a regular term after receiving the petition, make an order on its order book directing an election to be held in the county on some day named in the petition, but not earlier than sixty days after the application is received by the judge. The order shall direct the sheriff to advertise the election and its object *by publication pursuant to KRS Ch. 424* [for at least thirty days next before the election day in the newspaper having the largest circulation in the county] and also by printed handbills posted at not less than four public places in each voting precinct in the county and at the courthouse door. The election shall be held under the general election laws. The question shall be: "Are you in favor of issuing--in bonds for the purpose of building roads and bridges?"

(3) All the money raised by the sale of bonds under this section shall be used solely for the construction of hard surface roads.

Section 177. KRS 178.180 is amended to read:

(1) The fiscal court of any county may select or appoint four or more commissioners who are freeholders and legal voters and residents of the county, to act as a road commission in the handling of any funds derived from the sale of bonds authorized and voted by the county for the purpose of constructing and reconstructing roads and bridges. The commissioners shall be equally divided between the two dominant political parties of the county.

(2) The commissioners shall each give a bond, approved by the county judge. The commissioners shall be allowed a reasonable compensation for their services by the fiscal court, to be paid out of the county road fund.

(3) The commissioners shall be selected at least fifteen days before the date of the election on the question of the bond issue, and their names shall be published *pursuant to KRS Ch. 424* [in a newspaper of general circulation in the county, and if none,

by three printed notices posted, one at courthouse door and the other two at prominent places in the county].

Section 178. KRS 178.240 is amended to read:

(1) The fiscal court shall direct the sheriff to advertise the time and purpose of the election and the amount of tax to be levied each year. The advertisement shall be published *pursuant to KRS Ch. 424* [for the thirty days next preceding the election, and shall be published in the paper having the largest circulation of those published in the county, or, if no paper is published in the county, then printed advertisements shall be posted at the courthouse door and at three other public places in each precinct for the thirty days next preceding the election].

(2) The election shall be held under the general election laws.

Section 179. KRS 180.010 is amended to read:

As used in this chapter, unless the context otherwise requires:

(1) "Advertising" means *the giving of notice by publication pursuant to KRS Ch. 424; and* [such advertising where competitive bidding is sought as gives actual and sufficient notice of not less than twenty days to persons reasonably expected to make bids; and, in cases in which the department thinks competitive bidding is impracticable or impossible, it means such advertising as gives due notice to the public interested therein, and especially to that portion of the public opposed to the purchase or building of a bridge]; and

(2) "Department" means Department of Highways.

Section 180. KRS 184.040 is amended to read:

(1) When the petition has been signed by the owners of fifty-one percent of the property, determined in linear front feet abutting upon and adjacent to the road to be improved, the sponsors of the district may present the petition, together with the attached maps and estimates of cost, to the county judge, who shall turn over to the county engineer for his consideration the maps and estimates of cost. The county engineer shall, within ten days from his receipt of such documents from the county judge, examine said documents, examine the road proposed to be improved, study the estimates of cost and type of surface proposed to be used and return to the county judge with recommendations of approval or disapproval the documents theretofore delivered to him. If the county engineer disapproves the plans and estimates of cost submitted to him, he shall set forth his reasons for such disapproval, and the county judge shall return said plans and estimates for revision in accordance with the recommendations of the county engineer. After revision, they shall again be submitted to the county engineer, and if he again disapproves, the court shall nevertheless proceed with a hearing, as

hereinafter provided, to determine whether or not said approval should be granted or withheld.

(2) In the event the county engineer approves the plans for the road and estimates of cost thereof, the county judge shall notify the sponsors thereof and shall select a day not earlier than two weeks thereafter on which a public hearing shall be held to determine whether or not said public road district shall be created and organized. During said two-weeks' period, the county judge shall use such information as is available to him and shall make such investigation as he deems necessary to satisfy himself of the genuineness of the signatures appearing upon the petition and as to the ownership of property of the persons signing said petition. The question of genuineness of signatures and the ownership of property of any person signing the petition may be questioned at the hearing by anyone denying such validity.

(3) When the county judge has selected a day for the hearing, it shall be the duty of the sponsors to advance sufficient funds to pay for the advertising of the hearing, which advertising shall be [had] by *publication pursuant to KRS Ch. 424* [insertion of one notice in some newspaper of general circulation in the county] and by posting printed notices in such number as the county judge may deem necessary or advisable, but in no event less than ten, along both sides of the road to be improved, either on telephone poles or on posts erected for that purpose.

Section 181. KRS 184.110 is amended to read:

Upon the final approval of the plans and specifications, the board of directors shall adopt a resolution approving and accepting said plan, and advertising for bids for the construction of the road according to such plans and specifications. The board shall advertise for bids for the construction of such work by *publication pursuant to KRS Ch. 424.* [publishing notice thereof in a newspaper of general circulation in the county once each week for two consecutive weeks (publication being complete on the date of the second publication), calling for reception of bids in not less than one week after the second publication.] The contract for such work shall be let to the lowest responsible bidder, who shall give bond with approved and adequate security for the faithful performance of the contract. The notice of the letting of the contract shall specify the general nature of the work to be done, the time and date of reception of bids, and the place where detailed information as to the work to be performed can be obtained. All bids shall be opened and read at the time and place specified in the notice, and the board of directors may either accept the lowest and best bid or, in their sound discretion, reject all bids and readvertise.

Section 182. KRS 184.260 is amended to read:

(1) In the event that the board of directors determines to issue road improvement bonds, it may pledge the special assessment and liens on the property for the payment of the principal and interest of such bonds and shall apply the proceeds thereof exclusively to the payment thereof. The bonds shall bear a date not less than thirty days nor more than sixty days after the date which was the last day for the execution by the property owners of installment payment agreements. The bonds shall be negotiable and payable to bearer, shall provide for the semiannual payment of interest at a rate of not in excess of six percent per annum, shall bear coupons to provide for the payment of such interest, shall be numbered consecutively, shall be in denominations of one hundred dollars or its multiple (provided that any odd amount not in multiple of one hundred dollars may be included in the last bond to mature), shall be divided into nine series as nearly equal *as* [at] practicable, one series maturing each year, and shall be payable at the office of the treasurer of the road district or at a bank or trust company named in the bonds. The bonds shall have the name of the road for the improvement of which they are issued printed or engraved thereon, shall state the character and extent of the improvement, shall be signed by the chairman and the secretary of the board of directors, and the coupons shall be signed by the secretary either personally or by his engraved or lithographed facsimile signature.

(2) It shall not be necessary in the bonds to recite the steps taken for the improvement of the road or in making the assessment of the cost thereof, but it shall be sufficient to make a general reference to such proceedings and to this chapter. The bonds shall be exempt from all taxation by or in the Commonwealth of Kentucky. The bonds shall convey and transfer to the owner thereof all lien, right, title and interest in and to the assessments and liens upon the respective parcels of land abutting upon the improvement. Said liens, until released after payment, as herein provided for, shall be security for such bonds and coupons until they are paid.

(3) The bonds shall be subject to prepayment and redemption at any interest period thereof which does not occur within four years from the date thereof. The treasurer of the district shall, when funds have accumulated from any special assessment sufficient to redeem in excess of the next series falling due, by lot select from the next succeeding issue falling due thereafter bonds of a par value equal to the excess in said fund arising from the excess collection and shall advertise *by publication pursuant to KRS Ch. 424,* the designation and numbers of the bond or bonds so drawn [once each week for three consecutive weeks prior to the next interest period

in a newspaper of general circulation in the county where the district is located] to the effect that on said date, the bonds will be redeemed at their par value and accrued interest. The bonds specified in such notice shall bear no interest after the date fixed for their redemption, which provision shall be set forth in substance on the bonds.

Section 183. KRS 184.270 is amended to read:

The bonds shall be sold at public sale for not less than par and accrued interest to the highest responsible bidder. Such sale shall be advertised by publication *pursuant to KRS Ch. 424* [of a notice of the time and place of the sale, and such other information as may be pertinent, in one issue of a newspaper of general circulation in the county where the road district is located at least one week prior to the taking of bids]. If no bidder offers par and accrued interest for the purchase of such bonds, then the road district shall have the right to turn them over to the contractor in full payment of that portion of the contract price of the improvement represented by par and accrued interest. The contractor shall accept such bonds and give credit on the contract price for the full face value and accrued interest thereon. Any premium realized from the sale of the bonds and any penalties collected on account of the delinquency of any installment payments of assessments shall be added to the bond fund for the payment of the bonds and interest thereon. Said bonds and interest shall be payable out of funds actually paid to and collected by the road district on account of the improvement assessment in anticipation of which the bonds were issued.

Section 184. KRS 189.750 is amended to read:

(1) Any person who leaves a motor vehicle on property belonging to the Department of Highways for a longer period than thirty days and under circumstances indicating abandonment shall be fined not less than twenty-five dollars nor more than one hundred dollars, or imprisoned for not less than ten nor more than thirty days.

(2) Any such vehicle so allowed to remain on property belonging to the Department of Highways shall be towed away by officers, agents, or employes of the Department of Highways. In addition to other penalties provided in this section, cost of towing and any storage charges which may accrue shall be paid by the owner of the vehicle before such vehicle is released from the custody of the Department of Highways.

(3) Any such vehicle which is towed away by officers, agents, or employes of the Department of Highways and which is not claimed by the owner thereof or his authorized agent within sixty

days, may be sold to pay towing and storage charges, which shall constitute a lien against such vehicle within the meaning of this section. The proposed sale shall be advertised *by publication pursuant to KRS Ch. 424* [for at least three times in some newspaper of general circulation in the county wherein the vehicle was left on property belonging to the Department of Highways, the last advertisement to be made at least six days before the sale is held] and notice thereof shall be sent by registered mail to any person known to have any interest in the vehicle at his last known address at least ten days before the sale is held. A transfer of registration shall be issued to the purchaser by the county clerk of the county wherein the vehicle is sold. The person in whose name the vehicle was last registered shall comply with the provisions of KRS 186.190 to accomplish the purposes of this section.

(4) If such vehicle is unfit for future use, the department may dispose of it for its salvage value in the same manner as provided for the disposition of other such materials.

Section 185. KRS 212.080 is amended to read:

A number of legal voters equal to ten percent of the total number of votes cast at the last general election of any county may file their petition with the county judge asking that the proposition of creating, establishing and maintaining a county health department be submitted to the voters of the county at the next general election held in the county that does not occur within less than thirty days after filing the petition. Each voter signing the petition shall state his full name and address. At the time of filing the petition the petitioners shall deposit with the county judge a sufficient sum of money to pay the cost of publication, as required by this section. Upon the filing of the petition with the county judge, he shall enter an order directing the publication in full of the petition, *pursuant to KRS Ch. 424,* [in the newspaper having the largest circulation in the county at least once a week for four consecutive weeks next preceding the general election,] and shall further enter an order directing the clerk of the county court to have placed upon the ballot at such election the question, "Are you in favor of establishing a county department of health?" with proper squares in which the voter may indicate "Yes" or "No." If the majority of those voting on the proposition vote "Yes," a department of health for the county shall be created, established and maintained. The vote shall be canvassed and returned by the board of election commissioners for the general election. If the election is contested the members of the fiscal court of the county shall be made defendants.

Section 186. KRS 212.460 is amended to read:

All work done or supplies or materials purchased in carrying out the purposes of KRS 212.350 to 212.620, when involving an expenditure of five hundred dollars or more, shall be by contract awarded to the lowest and best bidder after advertisement *by publication pursuant to KRS Ch. 424* [in such manner as may be directed by the board]. All bids or parts of bids, for any such work or supplies, may be rejected by said board. The board, however, may itself do or cause to be done, any part or parts of its work under such conditions as it may prescribe by day labor when the director of health, in writing, shall recommend such action.

Section 187. KRS 215.120 is amended to read:

A number of citizens equivalent to ten percent of the votes cast at the last general election in any county the fiscal court of which has failed to establish a sanatorium district may file their petition with the county judge asking that the proposition of establishing the county as a district for the creation of a sanatorium for the treatment of tuberculosis be submitted to the voters of the county at the next general election held in the county that does not occur within less than thirty days after the filing of the petition. Each voter signing the petition shall state his full name and address. At the time of filing the petition shall deposit with the county judge a sufficient sum of money to pay the cost of publication, as required by this section. Upon the filing of the petition with the county judge he shall enter an order directing that the petition be published in full *pursuant to KRS Ch. 424* [in the newspaper having the largest circulation in the county at least once a week for four consecutive weeks next preceding the general election], and shall further enter an order directing the clerk of the county court to have placed upon the ballot at such election the question, "Are you in favor of establishing a tuberculosis sanatorium district?", with proper squares in which the voter may indicate "Yes" or "No". If the majority of those voting on the proposition vote "Yes," a tuberculosis sanatorium district shall be established. The vote shall be canvassed and returned by the board of election commissioners for the general election. If the election is contested the members of the fiscal court of the county shall be made defendants.

Section 188. KRS 216.090 is amended to read:

(1) Before any city of the second, third, fourth or fifth class may purchase, establish, erect, acquire, maintain or operate a municipal hospital, the legislative body of the city shall pass an ordinance declaring it desirable that this be done, and shall prepare an estimate of the probable cost of the hospital. If revenue bonds are to be issued to pay the cost the ordinance shall so provide. An election shall be had on the adoption of the ordinance if a number of legal voters of the city equal to twenty-five percent of the total number of votes cast in the city at the last regular

election file a petition within ten days after the ordinance is passed asking that the question of approval of the ordinance be submitted to a vote of the people. If the petition is filed the election shall be held at the next regular election held in the city. (Subsection (1) amended, 1946, c. 169, § 18)

(2) If an election is petitioned for, the mayor shall certify the ordinance to the county court clerk, who shall cause to be printed on the ballots for use in the city the question: "Are you in favor of purchasing, establishing, erecting, acquiring, maintaining and operating a municipal hospital in accordance with the estimate of cost adopted by the City of__________________________________ (here insert name of city), and the issuance of revenue bonds in the amount of $____________________ (here insert total face amount of bonds estimated by the legislative body of the city to be necessary to pay the cost of the hospital, based upon the estimate of cost)?" Opposite the question shall be printed "Yes" and "No," with the proper squares for stamping. The mayor shall advertise the election and its object *by publication pursuant to KRS Ch. 424* [for at least seven days before the date of the election in the newspaper having the largest circulation in the city, or by handbills posted at not less than four conspicuous places in each voting precinct in the city and at the door of the city hall]. All legal voters of the city may vote at the election.

(3) If an election is held, the city shall not purchase, establish, erect, acquire, maintain or operate a municipal hospital or issue revenue bonds unless a majority of all the qualified voters voting on the question vote in favor thereof.

(4) Before revenue bonds are issued the legislative body of the city shall select the location of the municipal hospital, prepare the necessary plans and specifications, and take all steps necessary in its judgment for the acquisition of the land, right of ways, constructions, franchises and easements necessary for the construction of the hospital.

Section 189. KRS 220.090 is amended to read:

When sixty percent of those qualified within the boundary fixed by the commissioner are found to have petitioned for the establishment of a sanitation district, and the commissioner has established the boundaries thereof, the commissioner shall give notice of the application for the creation of the district, by *publication pursuant to KRS Ch. 424.* [posting the notice in at least ten places in the area proposed to be organized into a district, or by publishing it in at least two consecutive, regular editions of a newspaper of general circulation in the proposed district.]

Section 190. KRS 220.290 is amended to read:

All contracts for work, material or supplies that may exceed five hundred dollars shall be advertised for bids *by publication pursuant to KRS Ch. 424* [, not less than seven days before bids are to be received, by notice published once a week for two consecutive weeks (publication being complete on date of last publication) in at least one newspaper of general circulation] within the district where the work is to be done or the materials or supplies used. The contract shall be let to the lowest and best bidder who shall give bond with approved and ample surety for the faithful performance of the contract. The notice shall specify the general nature of the bid sought, the time and date bids are to be received, and where and how more specific information can be obtained. The contract shall be in writing, in duplicate, and shall be accompanied by or refer to plans and specifications for the work to be done, prepared by the chief engineer. The plans and specifications shall be made and considered a part of the contract. The contract shall be adopted by the board and signed by its president and by the contractor, and shall become a part of the records of the district.

Section 191. KRS 220.536 is amended to read:

(1) When a petition for annexation of territory to a district is filed with the commissioner, he shall investigate at once the boundary of the territory proposed to be annexed, and may, at the cost of the district, cause to be made surveys necessary to establish with reasonable accuracy a boundary that will, in his judgment, accomplish the purpose sought by annexation of the territory in a practicable and workable manner, and that will be sufficiently comprehensive to avoid confusion or interference with any other similar district then existing or that may be created. The boundary established by the commissioner need not follow the boundary proposed by the district.

(2) Should it be found desirable to include in the territory to be annexed by a district all or a portion of a city of the second, third, fourth, fifth or sixth class, the governing body of such city shall determine by ordinance whether the city or portion thereof shall be included in the district, or whether the city shall bind itself to pay the charges for the services of the district furnished in such area.

(3) When the boundaries of the territory proposed to be annexed have been fixed by the commissioner as prescribed in subsection (1) of this section, he shall give notice of the application for annexation of the territory by publication pursuant to KRS Ch. 424. [posting a notice in at least ten places in the territory proposed to be annexed, or by publishing it in at least two consecutive, regular editions of a newspaper of general circulation in the territory proposed to be annexed.]

Section 192. KRS 227.310 is amended to read:

The commissioner shall conduct a hearing prior to the issuance of rules and regulations promulgated pursuant to KRS 227.300. At such hearing interested parties shall be given an opportunity to be heard in person or by counsel. [At least ten days in advance of the hearing] The commissioner shall cause a notice of such hearing to be published *pursuant to KRS Ch. 424.* [in two or more daily newspapers of general circulation published and circulated in this state.] No defect or inaccuracy in the notice or in its publication shall invalidate any such rules or regulations.

Section 193. KRS 227.340 is amended to read:

Whenever the commissioner or other officer has reason to believe that a fire hazard should be corrected and he is unable to determine after a diligent search the owner of any property to be affected, he shall post notice of a hearing concerning such hazard in a conspicuous place on or near such property and shall publish such notice *pursuant to KRS Ch. 424* [in a newspaper of general circulation] in the county in which the property is located. The hearing shall be held in accordance with KRS 227.330 at the time and place specified in the notice as if such notice had been served on the owner.

Section 194. KRS 231.060 is amended to read:

When the application is filed with the county clerk he shall docket it upon the docket book of the county court and shall have a notice, that the application has been filed, published *pursuant to KRS Ch. 424* [in a newspaper of general circulation] in the county. [The notice shall be published once each week for three consecutive weeks.]

Section 195. KRS 241.060 is amended to read:

[(1)] The board shall have the following functions, powers and duties:

(1) To adopt reasonable regulations governing the procedure relative to applications for and revocations of licenses and relative to all other matters over which the board has jurisdiction, and for the supervision and control of manufacture, sale, transportation, storage, advertising and trafficking of alcoholic beverages. Regulations need not be uniform in their application, but may vary in accordance with reasonable classifications;

(2) To limit in its sound discretion the number of licenses of each kind or class to be issued in this state or any political subdivision, and restrict the locations of licensed premises. To this end the board may make reasonable division and subdivision of the state or any political subdivision into districts. Regulations relating to the grant-

ing, refusal and revocation of licenses may be different within the several divisions of subdivisions;

(3) To hold hearings, subpoena witnesses, compel their attendance, administer oaths, examine any person under oath and require the production of any books or papers relative to the inquiry, regardless of whether the witnesses are licensees. The power provided in this subsection may be delegated by the board to any member or employe of the department. Provisions of the Civil Code of Practice shall apply to subpoenas issued pursuant to this subsection, but such subpoenas shall be effective throughout the state and shall be enforcible by petition to a court of competent jurisdiction. The department may pay witnesses the per diem and mileage provided in KRS 421.010;

(4) To conduct hearings and appeals under KRS 241.150, 241.200, 243.470 and 243.520 and render decisions upon the subjects of the hearings and appeals;

(5) To suspend, revoke or cancel for cause, after a hearing, any license issued under KRS 243.020 to 243.670;

(6) To close, lock and bar, for a period not to extend beyond the following June 30, any premises in or upon which a violation of KRS Chapter 241, KRS 243.020 to 243.670, or KRS Chapter 244 has taken place. If the violation was within the knowledge of the owner, or was committed or permitted in or upon premises owned by a licensee, the board shall prohibit the issuance of a license for the premises until the expiration of two years from the time the offense was committed;

(7) To suspend a license for any cause for which the board is authorized to exercise its discretion as to revoking a license;

(8) To make rules and regulations and to provide forms, that may be necessary to regulate the alcoholic beverage industry and to make KRS 244.380 to 244.470 effective. Before any such rule or regulation is adopted, the board, after notice, shall hold a public hearing at its offices in Frankfort, Kentucky, not less than five days before said rule or regulation is to be adopted. [Not less than ten days] Notice of such hearing and of the proposed rule or regulation, [as well as the date when the same is proposed to be adopted,] shall be given in the following manner:

(a) By publication *pursuant to KRS Ch. 424* [in not less than six newspapers which combined will give substantial state-wide publication]; and

(b) By registered letter to the principal office of any organized group or groups of licensees, or class thereof, where such organization has made a request, in writing, to be so notified.

In the event of an emergency the provisions of KRS 13.085

shall become applicable. When any rule or regulation is adopted, the same shall be filed and become effective in the manner and time prescribed in KRS Chapter 13.

Section 196. KRS 134.440 is amended to read:

(1) The advertisement of sale of tax claims shall be published *pursuant to KRS Ch. 424.* [for three consecutive weeks preceding the sale in a newspaper of general bona fide circulation in the county, or if there is no such newspaper in the county, then in the closest adjacent city that has such a newspaper. The advertisement shall contain a statement of the sale, the date and place thereof, a list of the persons delinquent, when known, and the amount of taxes due.] The advertisement may in addition consist of the posting of printed notices contining the same information in three or more conspicuous places in the county, fifteen days before the sale. The sheriff shall place a copy of the advertisement at the courthouse door in a conspicuous place at least fifteen days before the sale. The sale shall be at the courthouse door. The sheriff shall, not less than twelve days before the sale, mail to the delinquent taxpayer's place of residence or business, if such can be ascertained, a notice of the time and place of sale. Failure to send such notice shall have no effect on the validity of the sale.

(2) As compensation for his services the sheriff shall receive one dollar for each tax claim advertised. He shall, in addition, when a certificate of delinquency filed with the county clerk is paid, be entitled to six percent of that part of the tax claim represented by the total taxes plus six percent penalty. Both fees shall be added to the amount of the tax claim as a part of the certificate of delinquency and paid by the person who pays the tax claim, and in no event shall they be paid by the state, county or taxing district. Any expenses incurred that must be paid before the sale of a tax claim or the settlement of an action by the state, county or taxing district shall be paid by the county, and this sum shall be a preferred claim of the county on any proceeds eventually recovered.

Section 197. KRS 134.510 is amended to read:

(1) After the state, county and taxing districts obtain real property as authorized by KRS 134.490, the designated agent of the Commissioner of Revenue may advertise and sell at public sale any of such lands and the commissioner may convey the lands by deed to the purchaser. The commissioner shall, within thirty days from receipt of payment, pay to the county and taxing district the amount of the proceeds due each. The Department of Revenue shall be entitled to an administration fee equal to fifteen percent of the sale price of the property, which shall be paid into the Delinquent Tax Fund provided for in KRS 134.400.

(2) The sales shall be advertised by a written or printed notice posted at the courthouse door for fifteen days before the date of sale, and by publication *pursuant to KRS Ch. 424* [once a week for three consecutive weeks prior to date of sale in a newspaper of general bona fide circulation in the county], and may in addition be advertised by printed handbills posted for fifteen days before the date of sale in three or more conspicuous places in the taxing districts.

(3) Any real property acquired by the state, county and taxing districts pursuant to KRS 134.490 may be redeemed at any time before the commissioner gives a deed to a purchaser, by paying to the county clerk the amount due at the time the property was acquired, plus subsequent costs and interest at the rate of six percent per annum.

Section 198. KRS 136.990 is amended to read:

(1) Any county clerk who fails to comply with the provisions of subsection (2) of KRS 136.020 shall be fined not less than ten dollars nor more than twenty-five dollars.

(2) Any corporation that fails to pay its taxes, penalty and interest as provided in subsection (2) of KRS 136.050, after becoming delinquent, shall be fined fifty dollars for each day the same remains unpaid, to be recovered by indictment or civil action, of which the Franklin circuit court shall have jurisdiction.

(3) Any public service corporation, or officer thereof, that willfully fails or refuses to make reports as required by KRS 136.130 and 136.140 shall be fined one thousand dollars, and fifty dollars for each day the reports are not made after March 31 of each year.

(4) Any superintendent of schools or county clerk who fails to report as required by KRS 136.190, or who makes a false report, shall be fined not less than fifty dollars nor more than one hundred dollars for each offense.

(5) Any person who violates any of the provisions of subsection (2) of KRS 136.250 shall be fined not more than one thousand dollars. If the offender is an individual, he may in addition be confined in the county jail for not more than six months, or both so fined and imprisoned. If the offender is a corporation, the principal officer or the officer responsible for the violation, or both such officers, may be punished by such imprisonment. The fine shall be in addition to the penalties provided by subsection (3) of KRS 136.250.

(6) Any company or association that fails or refuses to return the statement or pay the taxes required by KRS 136.330 or 136.340 shall be fined one thousand dollars for each offense.

(7) Any insurance company that fails or refuses for thirty days

to return the statement required by KRS 136.330 or 136.340, under the oath of some principal officer or general agent or manager of this state, and to pay the tax required by KRS 136.330 or 136.340, shall forfeit one hundred dollars for each offense. The *Commissioner* [Director] of the *Department* [Division] of Insurance shall revoke the authority of the company or its agents to do business in this state, and shall publish the revocation *pursuant to KRS Ch. 424* [in some newspaper of this state].

(8) Any person who violates subsection (3) of KRS 136.390 shall be fined not less than one hundred dollars nor more than five hundred dollars for each offense.

(9) Where no other penalty is mentioned for failing to do an act required, or for doing an act forbidden, by this chapter, the penalty shall be not less than ten dollars nor more than five hundred dollars.

(10) The Franklin circuit court shall have jurisdiction of all prosecutions under subsections (6) to (8), of this section.

(11) If any taxpayer fails to make or file a return as required by KRS 136.090 on or before the due date of the return, then, unless it is shown to the satisfaction of the department that the failure is due to reasonable cause, five percent of the tax found to be due by the department shall be added to the tax for each thirty days or fraction thereof elapsing between the due date of the return and the date on which it was filed, but the total penalty shall not exceed twenty-five percent of the tax; provided, however, that in no case shall a penalty be less than ten dollars.

(12) If the tax imposed by KRS 136.070, whether assessed by the department or the taxpayer, or any installment or portion of the tax, is not paid on or before the date prescribed for its payment, it shall be collected as a part of the tax, interest upon the nonpaid amount at the rate of six percent per annum from the date prescribed for its payment until payment is actually made to the department. If the assessment made by the department is not paid within the time prescribed, or protested in accordance with KRS 131.110, the taxpayer shall pay as a penalty, in addition to the amount of tax and other applicable penalties, one percent of the tax for each month that the tax remain nonpaid.

Section 199. Subsection (2) of KRS 138.165 is amended to read:

(2) Whenever any peace officer of this state, or any representative of the department, finds any untaxpaid cigarettes within the borders of this state in the possession of any person other than a licensee authorized to possess untaxpaid cigarettes by the provisions of KRS 138.130 to 138.205, such cigarettes shall be immediately seized and stored in a depository to be selected by such officer or agent. At

the time of such seizure, the officer or agent shall deliver to the person in whose custody such cigarettes are found a receipt for such cigarettes. The receipt shall state on its face that any inquiry concerning any such goods seized shall be directed to the Commissioner of Revenue, Frankfort, Kentucky. Immediately upon such seizure, the officer or agent shall notify the Commissioner of Revenue of the nature and quality of the goods seized. Any such seized goods shall be held for a period of twenty days and if after such period no person has claimed such cigarettes as his property, the commissioner shall cause the same to be exposed to public sale to any person authorized to purchase untaxpaid cigarettes. Such sale shall be on notice [to be] published *pursuant to* [in a newspaper as defined in] KRS Ct. 424 [, and at a time not less than seven nor more than fourteen days after the date of such publication]. All proceeds, less the cost of sale, from any such sale shall be paid into the Kentucky State Treasury for general fund purposes.

Section 200. KRS 147.690 is amended to read:

Prior to the adoption of a master plan, or a portion thereof, or any amendments thereto, as herein provided for, the area planning commission shall give notice *by publication pursuant to KRS Ch. 424* and hold a public hearing thereon. [At least ten days prior to the date set for said hearing the commission shall publish in a newspaper of general circulation in each of the counties, signators to the agreement provided for in KRS 147.620, a notice of the time and place of hearing.]

Section 201. KRS 149.210 is amended to read:

Whenever the fiscal court of any county shall determine it advisable to purchase and acquire lands within such county to be owned, held, and maintained by such county for a permanent public forest, such fiscal court shall make an order requiring the auditor of such county to give notice, *by publication pursuant to KRS Ch. 424,* [for two consecutive weeks in a newspaper, which shall be of general circulation in such county, which notice shall state] that *the* [said] fiscal court on a date fixed by *the* [said] court and named in such notice [, not less than thirty days after the final publication of such notice,] will consider and act upon the advisability of so purchasing and acquiring the lands described in such notice, to be owned, held, and maintained by such county for a permanent public forest. Such notice shall be and constitute notice of the pendency of such proceedings as may be had upon the matter under consideration, as described in *the* [said] notice, to all taxpayers of such county, whether resident or nonresident.

Section 202. KRS 149.305 is amended to read:

(1) It shall be unlawful, when the forest lands, brush lands

and fields in this state or any part thereof have become so dry or parched as to create an extraordinary fire hazard endangering lives and property, for any person, except the owner, tenant or owner's authorized agent, persons regularly engaged in cutting, processing, or moving forest products, or persons on official duty, to enter or travel in any state, county, municipal or private forest lands, brush lands, fields or idle or abandoned lands in the area so affected except on public highways or well defined private roads.

(2) When such an emergency is found to exist by the Director of Forestry, the Governor may proclaim such a condition to exist in the Commonwealth or any described part thereof. The provisions of subsection (1) shall be effective only during the time such proclamation is in force and only in the area where such emergency is declared to exist.

(3) The Secretary of State shall cause notice of such proclamation or any amendments or rescission thereof to be published *pursuant to KRS Ch. 424* [in a newspaper or newspapers of general circulation] in the area affected.

Section 203. KRS 150.022 is amended to read:

(1) The Department of Fish and Wildlife Resources Commission shall consist of nine members, one from each wild life district, as set out by the commissioner with the approval of the commission, and not more than five of the same political party.

(2) The Governor shall appoint the members of the commission. Each of such members shall be appointed for a term of four years.

(3) Vacancies through the expiration of terms of the members of the commission shall be filled by appointment by the Governor from a list of five names from each wild life district, recommended and submitted by the sportsmen of each respective district. When the term of a member expires, the commissioner shall call a meeting of the sportsmen in that district not later than thirty days prior to the expiration of such member's term. Notice of the meeting shall be given by publication *pursuant to KRS Ch. 424* [at least two times in a newspaper having statewide circulation, at least thirty days prior to the date set for the meeting]. At such meeting, the sportsmen in attendance shall select and submit to the Governor a list of five residents and citizens of the district who are well informed on the subject of wild life conservation and restoration. The Governor shall appoint a successor to the member whose term is about to expire within sixty days following the submission to him of the list hereinabove referred to, and in no event later than August 13.

(4) Upon appointment to the Commission of the Department of Fish and Wildlife Resources, each commissioner shall execute a bond of one thousand dollars in favor of the Department of Fish and Wild-

life Resources, the premium on said bond to be paid out of department funds.

(5) In the event of vacancies other than by expiration, the Governor shall fill the vacancy for the unexpired part of the term from the names remaining on the list previously submitted for the district from which the vacancy arose.

(6) Each member of the commission shall take the constitutional oath of office.

(7) The Governor may remove any member of the commission for inefficiency, neglect of duty, or misconduct in office; but shall first deliver to such member a copy of all charges in writing and afford to him an opportunity of being publicly heard in person or by counsel in defense of such charges, upon not less than ten days' notice. If a member shall be removed, the Governor shall file in the office of the Secretary of State a complete statement of all charges made against such member and his findings thereon, together with a complete record of the proceedings.

(8) Each member of the commission shall be entitled to reimbursement for actual and necessary traveling and other expenses incurred by him in the discharge of his official duties, such expenses not to exceed five hundred dollars per annum for each member, and to be paid from the Game and Fish Fund.

(9) A majority of the commission shall constitute a quorum for the transaction of any business, for the performance of any duty or for the exercise of any power vested in the commission.

(10) The department shall have its principal office in Franklin County, and is authorized to purchase all supplies, equipment and printed forms and to issue such notices and publications as the commissioner may deem necessary to carry out the provisions of this chapter.

(11) The word "sportsman" as used in this section shall mean a resident hunter or fisherman who has been licensed in Kentucky for each of the past two consecutive years.

Section 204. KRS 150.025 is amended to read:

(1) If the commissioner, with the concurrence of the commission, and after giving due regard to the public recreation and sport afforded thereby, the economic value and breeding habits of any species, class, type or breed of wild life, either native or imported, finds that the supply thereof has become unduly depleted or finds that, because of adverse weather conditions, floods, disease, fire, inadequate food supply, breeding conditions, lack of cover, unequal distribution, excessive destruction or wide-spread violations of the fish and wildlife laws or for any other reason, there is serious danger that the continued supply thereof may be depleted, the department shall adopt such regulations

as may be necessary and proper to restore supply or to prevent the further depletion thereof. Such regulations may be made to apply to a limited area or to the entire state.

(2) In carrying out the provisions of this section the department may, by regulations:

(a) Fix, close, terminate, shorten or divide open season, or make open seasons conditional;

(b) Regulate bag or creel limits and possession limits;

(c) Regulate buying, selling or transporting;

(d) Regulate the size or type of any device used for taking, and regulate any method of taking;

(e) Regulate or restrict the places where taking is permitted;

(f) Regulate taking, or the opening or closing of seasons, in waters in which the department is conducting experiments or making improvements for the purpose of promoting the conservation of wild life and increasing the supply thereof;

(g) Make any other regulations reasonably necessary to implement or cary out the purposes of this chapter.

(3) The commissioner shall cause the text of every regulation applying to the entire state to be published *pursuant to KRS Ch. 424* [once], immediately after it is filed in accordance with the state filing law [, in two different newspapers having statewide circulation and qualifying under the laws pertaining to legal notices]. Every regulation applying to a limited area shall be published [once], immediately after filing, [in at least one newspaper of general circulation] in each county in which a part of the area is located. The commissioner shall also mail two copies of every regulation to the county court clerk of each county in which the regulation is applicable, one copy of which shall be posted on the courthouse door or bulletin board. Additional distribution may be made at the discretion of the commissioner.

Section 205. KRS 150.520 is amended to read:

The department shall make such requirements and regulations governing the operations of boats in the taking of mussels as it may deem best for the proper enforcement of this chapter. To prevent depletion of the mussel beds and to insure proper propagation of the mussels, the department may close any beds to operators at any time and for such length of time as it deems necessary. During such closed season on any bed no one shall take mussels therefrom. When an order is issued closing any mussel bed, due notice of the same shall be published *pursuant to KRS Ch. 424* [in at least three consecutive issues of a newspaper of general circulation in the county where the bed is located].

Section 206. KRS 160.210 is amended to read:

(1) In independent school districts, the members of the school board shall be elected from the district at large. In county school districts, members shall be elected from divisions.

(2) The board of education of each county school district shall, not later than July 1, 1940, divide its district into five divisions as nearly equal in population and containing integral voting precincts in so far as is practicable. In first dividing the county district into divisions the board shall, if more than one of its members reside in one division, determine by lot which member from that division shall represent that division, and which members shall represent the divisions in which no member resides. The members so determined to represent divisions in which no member resides shall be considered the members from those divisions until their terms expire, and thereafter the members from those divisions shall be nominated and elected as provided in KRS 160.200, KRS 160.220 to 160.250.

(3) No change shall be made in the boundary lines of the present divisions of the county school district until January 1, 1959, except in case of merger of districts or change in territory due to annexation. Any changes made in division boundary lines shall be such as will make divisions as nearly equal in population and containing integral voting precincts in so far as is practical. No change may be made in division boundary lines more frequently than five years after the last change in any division line, except in case of merger of districts or change in territory due to annexation. A record of all changes in division lines shall be kept in the office of the county board of education, and shall be published *pursuant to KRS Ch. 424* [in a newspaper of general circulation]. A copy of the newspaper in which the notice is published shall be filed with the Superintendent of Public Instruction within ten days following its publication. No change shall be made in the boundary of any division after January 1 prior to the date on which a member of the school board is to be elected from any division.

Section 207. KRS 161.826 is amended to read:

Such rules and regulations shall, among other things, provide:

(1) For standardization and qualifications for all positions. All salaries shall be uniform for like grade and years of service. Grades of service shall be standardized and classified by the board of education.

(2) For keeping minutes of its own proceedings and records of its examinations and other official actions. The commission shall prepare, continue and keep in its office, a complete roster of all persons in the classified service.

(3) For open and competitive tests, ascertaining the relative fitness of all applicants for appointment to classified positions. All tests shall be practical and related only to matters which fairly meas-

ure the relative fitness of the candidates to discharge the duties of the positions to which they seek appointment. Notice of such tests shall be given *by publication pursuant to KRS Ch. 424* [not less than ten days in advance by public advertisement in at least one newspaper of general circulation in the city] and by posting a notice on the door of the board of education office.

(4) That the commission shall require persons applying for admission to any examination, provided for by KRS 161.821 to 161.837 or by the rules of the commission prescribed thereunder, to file with the commission within a reasonable time prior to the proposed examination a formal application in which the applicant shall state under oath or affirmation:

(a) Full name, residence and postoffice address.

(b) Nationality, age, and place and date of birth.

(c) Health and physical capacity for the public service sought.

(d) Business and employments and residences for five previous years.

(e) Such other information as may be reasonably required touching the applicant's merit and fitness for the public service sought; but no inquiry shall be made as to any religious or political opinions or affiliations of the applicant.

(5) That no fee or other assessment shall be charged for examination for positions. Blank forms for applications shall be furnished by the commission without charge to any persons requesting the same. The commission may require references as the good of the service may demand. The commission may refuse to examine an applicant, or after an examination to certify an eligible, who is found to lack any of the established preliminary requirements for the examination or who is physically so disabled as to be rendered unfit for the performance of the duties of the position which he seeks, or who is addicted to the habitual use of intoxicating liquors or drugs to excess, or who has been guilty of any crime or of infamous or notoriously disgraceful conduct, or who has been dismissed from any branch of the civil service for delinquency or misconduct, or who has made false statements of any material fact, or practiced or attempted to practice, any deception or fraud in his application or in his examination, in establishing his eligibility or securing his appointment.

(6) That from the returns of the examinations the commission shall prepare an eligible list of the persons whose general average standing upon examinations for such grade or class is not less than the minimum fixed by the rules of the commission and who are otherwise eligible; and such persons shall take rank upon the eligible list as candidates in the order of their relative excellence as determined by the examination without reference to priority of time of examination. In

the event of two or more applicants receiving the same mark in an examination, priority in the time of the application shall determine the order in which their names shall be placed on the eligible list. The term of eligibility of each list shall be fixed by the commission at not less than one year nor more than two years. When an eligible list is reduced to three names or less a new list shall be prepared.

(7) That any soldier, sailor, marine, or member of the Army Nurse Corps who has served in the Army, Navy or Hospital Service of the United States in the war with the central powers of Europe between the dates of April 6, 1917 and November 11, 1918, or in World War II, who has been honorably discharged therefrom and is a resident of Kentucky, upon filing with the commission a certificate of service and honorable discharge, shall receive additional grade of twenty percent to the grade he otherwise rates.

(8) For the creation of the above eligibility lists, upon which shall be entered the names of successful candidates in the order of their standing in examinations for the filling of positions by the board of education from the three candidates graded highest on such eligibility list, which list shall remain in force not longer than two years. In the absence of an appropriate eligibility list, any place may be filled temporarily by the board of education without examination for a period not to exceed six months, during which time the civil service commission shall hold the necessary examinations for the filling of the place permanently.

(9) That no person shall be appointed or employed under any title not appropriate to the duties to be discharged, and no person shall be transferred or assigned to perform any duties of any position subject to competitive tests equivalent to that required for the position to be filled.

(10) That any person appointed from the eligibility list and laid off for lack of work shall be placed at the head of the eligibility list for reappointment for a period of eligibility as provided by the rules of the board.

(11) For a period of probation not exceeding one year before an appointment is made permanent.

(12) For reinstatement on the eligibility list of persons who, without fault or delinquencies, are separated from the service.

(13) For promotion from lower grades to the higher, based upon records of efficiency and seniority to be furnished by the superintendent of schools.

Section 208. KRS 162.070 is amended to read:

The contracts for the erection of new school buildings and additions and repairs to old buildings, except repairs not exceeding one hundred fifty dollars, shall be made by the board of education to the lowest and best responsible bidder complying with the terms of the letting, after [such] advertisement for competitive bids *pursuant to KRS Ch. 424* [as the board determines], but the board may reject any or all bids. All necessary specifications and drawings shall be prepared for all such work. The board shall advertise for bids on all supplies and equipment that it desires to purchase, except where the amount of the purchase does not exceed two hundred fifty dollars, and shall accept the bid of the lowest and best bidder, but the board may reject any and all bids. In independent school districts of cities of the first class and in county school districts of counties containing a city of the first class, no advertisement for bids for repairs shall be necessary unless the amount involved exceeds two thousand dollars, and no advertisement for bids for supplies and equipment shall be necessary unless the amount involved exceeds one thousand dollars.

Section 209. KRS 164.625 is amended to read:

(1) The Director of Extension is hereby authorized to promulgate regulations relating to the establishment of and continuation of extension councils. Said regulations may apply to a specific county.

(2) An extension council shall be established for each extension district. Each extension council shall be organized under regulations approved by the Director of Extension and shall be comprised of not less than fifteen citizens nor more than forty citizens of the county in which the extension district is located, subject to the provisions of subsection (2) of KRS 164.635. All members of the extension council shall be appointed by the county groups and organizations of the county whose major interest is in agriculture and home economics such as farm bureaus, homemakers councils, 4-H Club councils and various commodity groups but is not necessarily limited to those mentioned. In event of question the eligibility of a group to appoint to the extension council shall be determined by the Director of Extension. The number of members of each extension council shall be determined by the size of the county, the diversity of agricultural interests of the county, and other like factors and shall be according to regulations mentioned in subsection (1) of this section. Each extension council shall adopt a set of bylaws providing for its operation and terms of membership according to the same regulations.

(3) All regulations issued under the provisions of this section shall be filed in accordance with KRS 13.085. Immediately after filing, the Director of Extension shall cause the text of every regulation to be published *pursuant to KRS Ch. 424* [once, in at least one newspaper of general circulation in the county in which the regulation is applicable]. The Director of Extension shall also mail two copies of every regulation to the county court clerk of the county in which the regulation is applicable, one copy of which shall be posted on the

courthouse door or bulletin board. Additional distribution may be made at the discretion of the Director of Extension.

Section 210. KRS 176.070 is amended to read:

(1) After surveys, plans, specifications and estimates have been completed for any road or section thereof, and the type and character of the road has been determined, and the right of way obtained, the department shall advertise *by publication pursuant to KRS Ch. 424* [for at least three consecutive days in newspapers, either in or out of the state, twenty days before the letting of any bids], for bids on the work, and may contract for the purchase of all materials necessary for the construction and maintenance of roads.

(2) Before advertising for bids for the construction or reconstruction of any highway, the department may determine the type of improvement desired, and may advertise and receive bids for only the types determined. The advertisement shall make it generally known that the work is to be done, and shall state the place where the bidders may examine the plans and specifications. [and the time and place where bids may be received.]

Section 211. KRS 177.760 is amended to read:

KRS 177.700 to 177.820 shall be submitted to the people of the Commonwealth at the general election to be held on November 8, 1960. The fact of such submission shall be publicly advertised in the following ways:

(1) It shall be the duty of the Secretary of State, immediately after September 1, 1960, to determine whether the ballot question shall be the one set forth in KRS 177.740, or the one set forth in KRS 177.750, and to inform the Attorney General of the Commonwealth of such determination. It shall then be the duty of the Attorney General to prepare and furnish to the Secretary of State, not later than September 15, 1960, a form of "Notice of Election," which shall be so designated, shall conform to any requirements otherwise provided by law for notices of elections, and further shall set forth the proper ballot question in full, and KRS 177.700 to 177.820 in full, with provisions for the signature of the Secretary of State. The Secretary of State shall *publish* [transmit] a copy of such form of "Notice of Election" *pursuant to KRS Ch. 424* [to each of five daily newspapers of bona fide general circulation, published in different areas of the Commonwealth and selected in the discretion of the Secretary of State, with directions that the same be published in each of such newspapers in the form of a legal notice in one issue published in each of the calendar weeks commencing on Mondays, October 10, 17, 24 and 31, 1960, but not in any Sunday issue. Each such newspaper shall publish the same as directed, in the size type customarily used by it in publishing legal notices, and shall be entitled to payment according to its

standard prevailing rate for publication of legal notices]. After the last publication, each such newspaper shall provide to the Secretary of State, with or before its bill for publication, at least three copies of an affidavit sufficient to constitute proper proof of publication, and if the Secretary of State finds the same to be in order he shall be authorized to draw a warrant upon the State Treasurer for payment from uncommitted moneys in the general fund of the Commonwealth.

(2) The Secretary of State shall deliver a copy of said form of "Notice of Election" to the state printer, and thereupon the state printer shall promptly prepare and furnish to the Secretary of State at least 125 copies of such notice in the form of handbills of sufficient size and type composition as to be ordinarily legible. The Secretary of State shall furnish a copy of the notice in such handbill form to the clerk of the county court of each county of the Commonwealth, and it shall be the duty of each county court clerk, upon receiving the same, to post the same at or near the county courthouse door, or otherwise as notices of judicial sales and other court proceedings are customarily posted.

(3) Each county court clerk shall cause a facsimile of the ballot question to be published as may be required by law.

(4) If the Secretary of State shall perform in proper and timely fashion each of the duties provided in this section to be performed by him, any failure of others to perform duties and functions as herein provided shall not invalidate the election as to approval or disapproval of KRS 177.700 to 177.820, if upon consideration of the Commonwealth as a whole, it shall appear that the qualified voters were fairly apprised of the election.

Section 212. KRS 177.800 is amended to read:

The bonds shall be sold by the commission, in its discretion, at one sale or from time to time as funds are required for the identified purposes. Each sale shall be upon sealed purchase bids which shall be publicly opened and considered after solicitation at least ten days in advance by publication of a notice at least one time in a financial newspaper or journal published in the City and State of New York, and *by advertisement by publication pursuant to KRS Ch. 424.* [at least one time in a daily newspaper published in the Commonwealth and of bona fide general circulation throughout the Commonwealth.] The commission may fix one or more interest rates by resolutions adopted prior to publication of the *advertisement* [solication notice], or may notify bidders to stipulate in their bids one or more interest rates of their own choosing and fix the rate or rates by resolution when action is taken upon the bids. The commission shall reserve the right to reject bids.

Section 213. KRS 178.050 is amended to read:

(1) No county road shall be established or discontinued, or the location thereof changed unless due notice thereof has been given according to the provisions of this chapter.

(2) Notices and advertisements for the establishment, alteration or discontinuance of any county road, bridge or landing, and all notices and advertisements for the letting of contracts for construction or maintenance of county roads and bridges under the provisions of this chapter shall be published *pursuant to KRS Ch. 424* by the county road engineer [at least once each week for two consecutive weeks next preceding the receipt of bids or the hearing].

[(3) The notice or advertising shall be published in a newspaper of general circulation, or, if there is no newspaper published in the county, by handbills posted for fifteen days, one at the courthouse door and one in five or more public places in the vicinity of the road affected. The county road engineer shall file an affidavit with the county clerk showing the method used in giving notice or in advertising.]

Section 214. KRS 289.610 is amended to read:

(1) When any foreign association has complied with the provisions of KRS 289.570 to 289.600, and the *Commissioner of Banking and Securities* [director of banking] is satisfied that the association is doing a lawful and safe business, he may issue to the foreign association a license authorizing it to conduct its business in this state and to solicit subscriptions from the residents of this state to its capial stock.

(2) The *Commissioner of Banking and Securities* [director of banking] may revoke the license at any time if the foreign association fails to comply with any of the provisions of this chapter, or when the foreign association refuses to permit an examination of its affairs to be made, or when upon examination the *Commissioner of Banking and Securities* [director of banking] finds that the foreign association is not conducting its business in accordance with the law or that the afairs of the foreign association are in an unsound condition.

(3) Whenever the *Commissioner of Banking and Securities* [director of banking] revokes the license of a foreign association he shall cause a notice thereof to be mailed to the home office of the foreign association, and to be published *pursuant to KRS Ch. 424* [in at least one newspaper in the city of Frankfort]. After publication of such notice no agent of the foreign association shall rceeive further stock deposits from members residing in this state, except payments on stock on which a loan has been made.

Section 215. KRS 291.040 is amended to read:

On or before January 15 of each year, every investment company shall file with the *Commissioner of Banking and Securities* [director of banking] a statement of its business for the preceding twelve months. The statement shall be verified by the affidavit of its president or secretary and treasurer, and shall show the assets and liabilities of the company making the statement, the amount of its premium receipts during the preceding year, the amount passed to the reserve fund during the preceding year and the amount distributed to investors. The statement shall be published *pursuant to KRS Ch. 424* [in some newspaper of general circulation in the county in which the principal office or place of business is located].

Section 216. KRS 299.230 is amended to read:

Notice of the proposal to change the form of the corporate organization to stock or mutual plan, and of the time and place of a meeting of the policyholders of the company to take action thereon, shall be published *pursuant to KRS Ch. 424* [once a week for three consecutive weeks in some newspaper of general circulation published in the city or county in which the company has its principal place of business]. In order to effect the change proposed, there shall be required, at the meeting, the affirmative vote in person, or the consent in writing, of at least two-thirds of all the policyholders, and the concurrence of at least three-fourths of the directors.

Section 217. KRS 304.603 is amended to read:

(1) Every insurer shall file with the commissioner, except as to inland marine risks which by general custom of the business are not written according to manual rates or rating plans, every manual, minimum, class rate, rating schedule or rating plan and every other rating rule, and every modification of any of the foregoing which it proposes to use. Every such filing shall state the proposed effective date thereof and shall indicate the character and extent of the coverage contemplated. When a filing is not accompanied by the information upon which the insurer supports such filing and the commissioner does not have sufficient information to determine whether such filing meets the requirements of KRS 304.601 to 304.617, he shall require such insurer to furnish the information upon which it supports such filing and in such event the waiting period shall commence as of the date such information is furnished. The information furnished in support of a filing may include; (a) The experience or judgment of the insurer or rating organization making the filing; (b) its interpretation of any statistical data it relies upon; (c) the experience of other insurers or rating organizations; or (d) any other relevant factors. A filing and any supporting information shall be open to public inspection after the filing becomes effective, except as provided in subsection (6) of this section. Specific inland marine rates on risks specially rated made by a rating organization, shall be filed with the commissioner.

(2) An insurer may satisfy its obligation to make such filings by becoming a member of, or a subscriber to, a licensed rating organiza-

tion which makes such filings, and by authorizing the commissioner to accept such filings on its behalf; provided, that nothing contained in KRS 304.601 to 304.617 shall be construed as requiring any insurer to become a member of or a subscriber to any rating organization.

(3) The commissioner shall review filings as soon as reasonably possible after they have been made in order to determine whether they meet the requirements of KRS 304.601 to 304.617.

(4) Subject to the exceptions specified in subsections (5) and (6) of this section, each filing shall be on file for a waiting period of thirty days before it becomes effective, which period may be extended by the commissioner for an additional period not to exceed thirty days if he gives written notice within such waiting period to the insurer or rating organization which made the filing that he needs such additional time for the consideration of such filing. Upon written application by such insurer or rating organization, the commissioner may authorize a filing which he has reviewed to become effective before the expiration of the waiting period or any extension thereof. A filing shall be deemed to meet the requirements of KRS 304.601 to 304.617 unless disapproved by the commissioner within the waiting period or any extension thereof.

(5) Specific inland marine rates on risks specially rated by a rating organization shall become effective when filed and shall be deemed to meet the requirements of KRS 304.601 to 304.617 until such time as the commissioner reviews the filing and so long thereafter as the filing remains in effect.

(6) The commissioner may, when he deems it to be in the public interest, hold a public hearing on any filing before said filing becomes effective to determine whether or not the filing meets the requirements of KRS 304.601 to 304.617. When the commissioner has determined that a hearing shall be held relative to any filing, the filing and any supporting information filed therewith shall be open to public inspection immediately upon the giving of notice as required by this subsection. Before such hearing the rating organization or insurer making such filing shall be given ten days written notice of the time and place of such hearing, and the public shall be given notice [of same] by publication *pursuant to KRS Ch. 424* [in a newspaper of general circulation in the state]. The commissioner shall promulgate reasonable regulations to prevent the avoidance of normal expirations and renewal dates of policies, or contracts of insurance, that may be affected by such filings. In the event that a hearing is held under the provisions of this section the waiting periods specified in subsection (4) of this section shall not begin to run until thirty days after the close of such hearing.

(7) In the review of any filing made pursuant to this section either prior to its becoming effective, or upon a subsequent review as

provided for in KRS 304.604, the burden of establishing that the filing under consideration meets the requirements of KRS 304.601 to 304.617 shall be on the insurer or rating organization which made such filing.

(8) Under such rules and regulations as he shall adopt, the commissioner may, by written order, suspend or modify the requirement of filing as to any kind of insurance, subdivision or combination thereof, or as to classes of risks, the rates for which cannot practicably be filed before they are used. Such orders, rules and regulations shall be made known to insurers and rating organizations affected thereby. The commissioner may make such examination as he may deem advisable to ascertain whether any rates affected by such order meet the standards set forth in paragraph (b) of subsection (1) of KRS 304.602.

(9) Upon the written application of the insured, stating his reasons therefor, filed with and approved by the commissioner, a rate in excess of that provided by a filing otherwise applicable may be used on any specific risk.

(10) No insurer shall make or issue a contract or policy except in accordance with filings which are in effect for said insurer as provided in KRS 304.601 to 304.617 or in accordance with subsections (8) and (9) of this section. This subsection shall not apply to contracts or policies for inland marine risks as to which filings are not required.

Section 217-A. KRS 311.380 is amended to read:

As used in KRS 311.390 to 311.510, unless the context otherwise requires:

(1) "Board" means the State Board of Podiatry;

(2) "Podiatry" means the diagnosis, and the medical, mechanical and surgical treatment, of ailments of the human foot, and massage and the use of drugs in connection therewith, except amputation of the foot or toes, or the use of anesethetics other than local, [or the use of drugs or medicine other than local] or the use of narcotic drugs other than those which are designated by regulation of the State Board of Health for use by podiatrists in their practice;

(3) "Podiatrist" means one who practices podiatry.

Section 218. KRS 311.600 is amended to read:

(1) [Within one hundred and twenty days after June 19, 1952,] The board shall adopt, and file with the *Legislative Research Commission* [Secretary of State of this Commonwealth] pursuant to KRS Chapter 13, rules and regulations that effectuate and implement, but are not inconsistent with, the provisions of KRS 311.550 to 311.621. The rules and regulations shall cover, among other things, the qualifications, standard, fees, examinations, schools, forms, and procedures prescribed by the board in connection with examination and licensure in this state, and the forms and procedures prescribed by the board

in connection with probation, suspension and revocation, and also a code of conduct prescribed by the board.

(2) Thereafter, the board shall file with the *Legislative Research Commission* [Secretary of State of this Commonwealth], pursuant to KRS Chapter 13, and and all amendments, changes and modifications to its rules and regulations, and any and all other rules and regulations, within thirty days after such amendments, changes or modifications are adopted by the board.

(3) At least once every two years the board shall compile the Kentucky medical practice laws, and all rules and regulations promulgated by the board thereunder, and cause copies thereof to be furnished to licensing agencies of all other states and to all medical schools in the United States or Canada approved by the American Medical Association, and to all osteopathic schools in the United States and Canada approved by the American Medical Association, and to all osteopathic schools in the United States and Canada approved by the American Osteopathic Association, and to all persons who are licensed to practice medicine or osteopathy in Kentucky. Copies of the compilation shall be available to the general public upon request.

(4) The board shall, prior to promulgating a code of conduct, or any amendment, change or modification thereto, notify all licensees in writing of the proposed action and hold a hearing or hearings thereon at the offices of the board in Louisville, Jefferson County, Kentucky. Upon the filing with the *Legislative Research Commission* [Secretary of State of this Commonwealth], of any code of conduct, or amendment, change or modification thereto, the board shall notify in writing all licensees as to the date of adoption and filing of same. Any licensee who is aggrieved thereby may, within thirty days from the filing of same with the *Legislative Research Commission* [Secretary of State] as provided herein, procure a declaration of rights by filing, under the Declaratory Judgment Act, a petition in equity against the board in the circuit court of Jefferson County, Kentucky, and, upon his failure to do so, he shall thereafter be forever barred from instituting or maintaining an action attacking or questioning the validity of the code. Any party to such case who is aggrieved by the final judgment, order or decree of the Jefferson Circuit Court may appeal therefrom to the Court of Appeals of Kentucky in the time, method and manner provided by the Declaratory Judgment Act and the Court of Appeals shall docket and advance the appeal as provided in said Declaratory Judgment Act. No person shall be heard to complain concerning any provision of the code of conduct that was in force and effect at the time he was licensed in this state. Any notice required by this subsection to be given by the board may be effected by publication *pursuant to KRS Ch. 424.* [of same in a newspaper of general circulation in this state or by publication in any official periodical issued and circulated in this state by the Kentucky State

Medical Association and the Kentucky Osteopathic Medical Association].

Section 219. KRS 351.070 is amended to read:

(1) The *Commissioner of Mines and Minerals* [chief] shall have full authority over the department and shall superintend and direct the activities of the district mine inspectors and other personnel of the department.

(2) He may, whenever necessary, divide the coal fields of the state into as many inspection districts as there are district mine inspectors, so as to equalize as nearly as practicable the work of each inspector, and may assign to the inspectors their respective districts.

(3) He may, whenever he deems it necessary in the interest of efficient supervision of the mines, temporarily employ the services of additional mine inspectors or change inspectors from one district to another.

(4) He shall superintend and direct the inspection of mines and cause to be investigated the character and quality of air in mines whenever conditions indicate the necessity of doing so.

(5) He shall collect statistics relating to coal mining in the state and make an annual report of such statistics.

(6) He shall see that maps, plans, projections and proposed developments of all coal mines are made and filed in his office.

(7) He shall keep a properly indexed, permanent record of all inspections made by himself and the personnel of the department.

(8) He shall exercise general supervision over the training of officials and workmen in safety and first aid and mine rescue methods and may conduct demonstrations in safety whenever he deems it advisable.

(9) He shall exercise general supervision over the dissemination of information among officials and employes concerning mine ventilation, mining methods and mine accidents and their prevention and shall assume full charge in the event of mine fire or explosion or other serious accident at any mine in the state.

(10) He may assist in the resumption of operations of any mine or gather data for the development of any coal seams that would be of any benefit to the state or create new employment.

(11) The *Commissioner of Mines and Minerals* [chief] may prescribe reasonable safety standards governing the use of explosives, electrical and mechanical equipment in the operation of open-pit or surface mines.

(12) The *Commissioner of Mines and Minerals* [chief] shall have the power and authority to adopt, amend, or rescind such rules,

regulations, and standards as he deems necessary and suitable for the proper administration of the department. Rules, regulations, and standards may be adopted, amended, or rescinded by the chief only after public hearing or an opportunity to be heard thereon of which [proper] notice *by publication pursuant to KRS Ch. 424,* has been given. [proper notice shall be considered to have been given when published in two newspapers of state-wide circulation and a lapse of ten days from the date of such publication.] Such rules, regulations, and standards so adopted shall carry the full force and effect of law. This provision shall not be applicable to rules, regulations, and standards in effect on March 5, 1952.

Section 220. KRS 353.680 is amended to read:

(1) Any notice required by KRS 353.500 to 353.720 shall be given by any one or more of the following methods:

(a) Personal service;

(b) The United States mail registered or certified postage prepaid and addressed to the last known mailing address of the person or persons to whom notice is required; or

(c) Publication *pursuant to KRS Ch. 424* [in three consecutive issues of a newspaper in general circulation in the county or counties where the land affected is situated; except, for hearing required by subsection (1) of KRS 353.670, publication may be had in three consecutive issues of a newspaper or oil and gas industry publication in general circulation throughout the state].

(2) Notice of all hearings held under KRS 353.500 to 353.720 shall be mailed to all persons who [shall] specify to the department an address to which all such notices may be mailed. Notice mailed to such a person at the given address shall be sufficient notice to the person for all purposes of KRS 353.500 to 353.720.

(3) The date of service shall be on the date on which service was made in the case of personal service; the date of last publication in the case of notice by publication; and the date of mailing in the case of notice by mail.

(4) The notice shall issue in the name of the Commonwealth; shall be signed by the department; shall specify the style and number of the proceedings, the time and place of the hearing, and shall briefly state the purpose of the hearing.

(5) If notice is given by personal service, service may be made by an officer authorized to serve process, or by any agent or employe of the department in the same manner as is provided by law for the service of process in civil actions in the courts of the Commonwealth. Proof of service by the agent or employe shall be by affidavit of the agent or employe making personal service.

Section 221. KRS 362.030 is amended to read:

The statement and affidavit shall be acknowledged or proved before and recorded by the county clerk of each county in which a place of business of the firm is situated, in the same manner as deeds are acknowledged, proved and recorded. No limited partnership shall be deemed to have been formed until such record has been made and the statement has been published *pursuant to KRS Ch. 424* [once a week for four consecutive weeks in a newspaper printed in each of the propsed places of business, if a paper is published there, if not, then in the newspaper published in the place nearest thereto]. If any part of the statement is false, the special partners shall be liable as general partners.

Section 222. KRS 365.160 is amended to read:

(1) Any person engaged in manufacturing, packaging or selling any packaged product with his brand placed on the package in a permanent manner may file in the office of the county clerk of the county in which his principal place of business is situated, and in the office of the Secretary of State, a description of the brand so used by him, and cause the description to be [printed once a week for three successive weeks in a newspaper] published *pursuant to KRS Ch. 424* [in the county in which the notice has been filed]. If the person's principal place of business is out of this state the description may be filed in the office of the county clerk of any county.

(2) Any person who has heretofore filed, in the offices mentioned in subsection (1) of this section, a description of a brand, and has caused the description to be published according to the law existing at that time, need not file and publish again to be entitled to the benefits of KRS 365.170 to 365.200.

Section 223. KRS 376.280 is amended to read:

(1) Any boat or motor vehicle remaining in the possession of a person who has made repairs, performed labor or furnished accessories or supplies therefor and to whom the charges for such repairs, labor, accessories or supplies has been owing for a period of more than thirty days, may be sold to pay such deferred purchase money or charges. The proposed sale shall be advertised *pursuant to KRS Ch. 424* [at least three times in some newspaper of general circulation in the city or county where the original sale was effected or where the labor was performed, the last such advertisement to be made at least six days before the sale is held], and notice thereof shall be sent by registered mail to the owner of the boat or motor vehicle and to any other person known to have any interest therein, addressed to such persons at their last known addresses, at least ten days before the sale is held.

(2) The term "boat," as used in subsection (1) of this section,

means any watercraft not enumerated in subsection (1) of KRS 376.360 and sloops having an overall length of forty feet or less.

Section 224. KRS 376.290 is amended to read:

(1) Any person performing work upon any watch, clock or jewelry for a price shall have a lien upon that article for the amount due for the work. The lien shall include the value or agreed price of all materials furnished in connection with the work, whether added to the article or not. The lien may be enforced by legal action or as hereafter provided.

(2) If the account remains unpaid six months after completing the work, the person holding the lien may, upon thirty days' notice in writing to the owner specifying the amount due and informing the owner that the payment of the amount due within thirty days will entitle him to redeem the property, sell the article at public or bona fide private sale to satisfy the account. The notice may be served by mail directed to the owner's last known address, or, if the owner or his address is unknown, it may be published *pursuant to KRS Ch. 424* [in a newspaper of general circulation in the city where the property is located].

(3) The proceeds of the sale, after paying the expenses thereof, shall be applied in liquidation of the indebtedness secured by the lien, and the balance, if any, shall be held for a period of twelve months for the owner, and if it is not called for at that time it shall be paid into the district school fund.

Section 225. KRS 376.430 is amended to read:

(1) All persons, firms and corporations engaged in the business of repairing radios, phonographs, combinations thereof, automatic music instruments, refrigerators, and any and all portable electrical instruments or appliances shall have a lien upon such articles and appliances for the agreed or reasonable charge for parts, supplies, accessories and labor performed in their repair, said lien to attach upon completion of such repairs.

(2) After completion of repairs the owner shall be notified thereof by registered mail, and if the repaired article be not removed and all charges paid within thirty days after giving the notice, the person, firm or corporation making such repairs may hold such repaired articles and sell same at public sale to pay all agreed or reasonable charges, including charges for storage after notice of completion of repairs, and expenses incidental to advertisement and same, accounting to the owner for any excess of charges and expenses.

(3) [Provided further that] Before any sale of the repaired article the person, firm or corporation making the repairs shall [at least one week before sale] advertise the [time and place of] sale *by publication pursuant to KRS Ch. 424* [for two consecutive days

in some newspaper of general circulation published in the county, city or town wherein the repairs were made].

Section 226. KRS 376.455 is amended to read:

Any equipment, machine, machinery, motor or motors remaining in the possession of a person who has made repairs, furnished parts, performed labor, or furnished accessories or supplies for the equipment, machine, machinery, motor, or motors, for more than thirty days, may be sold to pay the charges. The proposed sale shall be advertised by *publication pursuant to KRS Ch. 424* [for at least three times in three separate weeks before the sale is made, in some newspaper of general circulation in the city or county where the materials, etc., were furnished or the labor performed]. The owner of the equipment, machine, machinery, motor or motors, shall be served with written notice of such proposed sale at least two weeks before the date of such sale. The notice may be in writing addressed to the owner at his last known address and sent by registered United States mail, postage prepaid. Such written notice may be served upon the owner in any other mode generally recognized by the laws and practice before courts in this state.

Section 227. KRS 379.100 is amended to read:

The assignee shall, within two months after his appointment, give notice of the time and place where he will sit to receive claims against the estate. The notice shall be by publication *pursuant to KRS Ch. 424* [once each week for four weeks in some newspaper published in the county, or if none by notice posted at the courthouse door for four weeks]. Creditors not residing in the county where the assignee qualifies shall be notified by mailing notice to their last known address. Any creditor failing to present his claim at the time named or within three months thereafter, verified in the same manner as a claim against the estate of a decedent except that it need not be verified by a person other than the claimant, shall waive his right to any part of the assigned estate. However, the court may direct the assignee to receive a claim at any time before the final distribution of the estate, and allow it and pay dividends thereon as on other claims, if there are sufficient unappropriated assets in his hands. Claims not due shall be presented in the same manner as claims due, but if claims not due are not bearing interest a just abatement shall be made.

Section 228. KRS 379.140 is amended to read:

The assignee may, when he believes it is no longer to the interest of the estate to keep the assignment open, move the county court to discharge him from the trust and release him from all liability. He shall have notice of his application to be discharged published *pursuant to KRS Ch. 424* [in four issues of some newspaper published in the county, or if none, have notice posted at the courthouse door for at least four weeks]. At the second regular term of the county court held after the motion is entered, the court shall, upon proof that the required notice was given, enter an order discharging the assignee from his trust and releasing him from all liability, unless objection is made. If objection is made the court shall hear the same and make such orders as are proper.

Section 229. KRS 381.730 is amended to read:

Upon the filing of the complaint the city shall give notice thereof by *publication pursuant to KRS Ch. 424* [publishing for five consecutive days in the newspaper having the largest circulation in the county in which the city is located a notice describing the property and the purpose of the said suit].

Section 230. KRS 382.205 is amended to read:

(1) In any county where indexes to the records of deeds, mortgages, wills, marriages, or other public records have been or may hereafter be prepared by the Work Projects Administration or other appropriate agency of the United States Governmnt, or by order of the fiscal court of any county, such indexes or any part of them may be adopted as the official general cross indexes of such records in the manner provided by this section in addition to each individual book index. Upon the completion of any such indexing project by an appropriate Federal agency or by a person or persons acting under the authority of a fiscal court, or at any time thereafter, any citizen of the county may petition the county court to have said index adopted as the official index. Upon the filing of the petition, the court may forthwith by appropriate order designate a licensed attorney practicing in the county who with the county attorney and county court clerk shall comprise a commission to examine the index proposed to be adopted and ascertain whether the index is a complete and accurate index of the records to which it pertains. The commission shall thereupon make such examination as may be necessary to ascertain to its satisfaction whether such index is complete and accurate. Upon completion of such examination, the commission shall make a written report to the court of the results thereof and of its recommendations, which report shall lie over for exceptions until the second regular term of the county court thereafter held. Notice of the filing of said report shall be given by the clerk of publication *pursuant to KRS Ch. 424* [in at least two issues of a daily newspaper published in said county, or if there be no daily newspaper, in a weekly newspaper, or if there be no weekly newspaper, by written or printed notices posted at the courthouse door and in the county court clerk's office]. Exceptions may be filed by any interested person, and if filed shall be heard and determined as in other cases. If no exceptions are filed thereto, or upon the exceptions (if any) the court shall hear such proof as may be thought proper respecting the report filed by the clerk and the exceptions, and shall

judicially determine whether the said index is complete and accurate, and if it is determined that the index is complete and accurate, an order shall be entered adopting said index; provided, that if from such report or such proof it appears that corrections or additions should be made to such index in order to render it accurate and complete, the order may direct that such corrections or additions shall be made by the clerk, and in that event it shall be the duty of the clerk to make such corrections or additions forthwith, and upon his report that he has done so an order shall be entered adopting the index as so corrected. If adopted, said index shall thereupon become the official general cross index of the records to which it pertains, and all persons shall be entitled to rely thereon to the same extent as if the index had been prepared by the clerk of the county court. Upon the adoption of any such index, it shall be the duty of the clerk to bring same up to date from the point at which same ceased to be made by the agency which prepared it, and to continue and maintain said index thereafter in lieu of the indexing system theretofore used, except he will continue to keep the regular individual book index, and to index all instruments lodged for record in conformity therewith. The indexes theretofore used shall not be destroyed after the adoption of the new indexes, but shall be safely kept by the clerk as other records are kept, subject to inspection by any person interested therein.

(2) Expenses incurred by the county clerk under the provisions of this section shall be paid by the fiscal court of the county.

Section 231. KRS 393.110 is amended to read:

(1) Every person holding funds or other property, tangible or intangible, presumed abandoned under this chapter shall report to the department with respect to the property annually as of July 1. The report shall be filed in the office of the department on or before September 1 of each year for the preceding July 1, and shall give the name of the owner, his last known address, the amount and kind of property, and such other information as the department may require for the administration of this chapter. The report shall be made in duplicate; the original shall be retained by the department, and the copy shall be mailed to the sheriff of the county where the property is located or held. It shall be the duty of the sheriff to post for not less than twenty consecutive days said copy on the courthouse door or the courthouse bulletin board, and also to publish said copy *pursuant to KRS Ch. 424* [in at least one issue of a newspaper published in the county seat or, if no newspaper is published in the county, then in a newspaper of general circulation in the county]. The list shall be published within thirty days of its receipt by the sheriff and this publication shall constitute compliance with the requirements of KRS Ch. 424. The cost of the publication shall be paid by the state. The sheriff shall immediately certify in writing to the depart-

ment the dates when the list was posted and published. The list shall be posted and published. The list shall be posted and published as required on or before October 1 of the year when it is made, and such posting and publishing shall be constructive notice to all interested parties.

(2) Within sixty days after the receipt of the report required by subsection (1) of this section, the department shall mail notice to each person having an address listed therein who appears to be entitled to property presumed abandoned under this chapter. The notice shall contain:

(a) A statement that according to a report filed with the department properties being held to which the addressee appears entitled:

(b) The name and address of the person holding the property and any necessary information regarding changes of name and address of the holder;

(c) A statement that, if satisfactory proof of claim is not presented by the owner to the holder by the date specified in the published notice, the property will be placed in the custody of the department to whom all further claims must be directed.

(3) Any person who has made a report of any estate or property presumed abandoned, as required by this chapter, shall, between November 1 and November 15 of each year, turn over to the department all property so reported; but if the person making the report or the owner of the property shall certify to the department by sworn statement that any or all of the statutory conditions necessary to create a presumption of abandonment no longer exist or never did exist, or shall certify the existence of any fact or circumstance which has a substantial tendency to rebut such presumption, then, the person reporting or holding the property shall not be required to turn the property over to the department except on order of court. If a person files an action in court claiming any property which has been reported under the provisions of this chapter, the person reporting or holding such property shall be under no duty while any such action is pending to turn the property over to the department, but shall have the duty of notifying the department of the pendency of such action.

(4) The person reporting or holding the property or any claimant thereof shall always have the right to a judicial determination of his rights under this chapter and nothing therein shall be construed otherwise; and the Commonwealth may institute an action to recover such property as is presumed abandoned whether it has been reported or not and may include in one petition all such property within the jurisdiction of the court in which the action is brought provided the property of different persons is set out in separate paragraphs.

Section 232. KRS 393.120 is amended to read:

Any intangible personal property required by KRS 393.060 to 393.110 to be liquidated so as to permit payment to the department, shall be surrendered to the department and sold by it to the highest bidder at public sale at Frankfort, or in whatever city in the state affords, in its judgment, the most favorable market for the particular property involved. The department may decline the highest bid and reoffer the property for sale if it considers the price offered insufficient. The sale shall be advertised *by publication pursuant to KRS Ch. 424* [at least one week in advance in a newspaper of general bona fide circulation in the county where the property was found or abandoned, and in the county where the sale is to be made]. The sale shall be held at the courthouse door.

Section 233. KRS 393.140 is amended to read:

(1) Any person claiming an interest in any property paid or surrendered to the state in accordance with KRS 393.020 to 393.050 who was not actually served with notice, and who did not appear, and whose claim was not considered during the action or at the proceedings that resulted in its payment to the state, may, within five years after the judgment, file his claim to it with the department.

(2) Any person claiming an interest in any estate or property paid or surrendered to the state in accordance with KRS 393.060 to 393.120, that was not subsequently adjudged under the procedure set out in KRS 393.230 to have been actually abandoned, or owned by a decedent who had no heir, distributee, devisee or other person entitled under the laws of this state relating to wills, descent and distribution to take the legal or equitable title, may file his claim to it at any time after it was paid to this state.

(3) The claimant shall, within fifteen days after filing any claim permitted under this section in excess of twenty-five dollars, publish notice of the claim *pursuant to KRS Ch. 424* [in a newspaper of general bona fide circulation in the county in which the property was held before being transferred to the state]. If [there is no such newspaper, or] the claim is for twenty-five dollars or less, the claimant shall post at the courthouse door and three other conspicuous places in that county, and shall file proof of publication or posted notice with the department. No [such] claim shall be allowed until fifteen days after proof of the notice is received by the department at its offices in Frankfort.

Section 234. KRS 395.430 is amended to read:

(1) Before any curator is appointed for an absent person under subsection (2) of KRS 395.410, a written application requesting the appointment shall be filed with the county clerk. The application shall be verified and shall recite the fact of absence, the last known address of the absent person and the presence of property within this state or

other ground requiring the appointment of a curator for the protection of the property or rights of the absent person. The application may be made by any relative, creditor or debtor of the absent person, or by any person in possession of or interested in any property or rights of the absent person.

(2) Upon the filing with the county clerk of any such application, the clerk shall send by United States registered mail, a letter addressed to the absent person at the last known address as given in the application, stating that such application has been filed. The clerk shall *publish pursuant to KRS Ch. 424* [insert in a newspaper having general circulation in the county, once each week for four consecutive weeks,] a notice to the effect that an application for the appointment of a curator has been made.

Section 235. KRS 395.470 is amended to read:

(1) Administration of the estate of a person dying intestate may be dispensed with by agreement if there are no debts owing by the estate; all persons beneficially entitled to the personal estate have agreed in writing that there shall be no administration; and either there are no claims or demands due the estate, or the written agreement to dispense with administration designates a trustee with power to collect claims and demands.

(2) The written agreement provided in subsection (1) shall be acknowledged by the parties and filed in the county court together with the motion of the parties for an order dispensing with administration. If the court is satisfied by affidavit or otherwise that the conditions prescribed in subsection (1) exist, it shall enter an order dispensing with administration. If the written agreement of the beneficiaries designates a trustee to collect claims or demands, the order shall confirm the designation and the person so designated shall have the same right to sue for and collect claims and demands that an administrator has.

(3) The county court shall be satisfied that provision has been made for the state inheritance tax and the United States estate tax.

(4) The persons applying for an order dispensing with administration shall advertise for creditors of the intestate to appear and present their claims to some person at the county seat. The person and place shall be designated in the advertisement. The advertisement shall also give notice when, where and by whom the order dispensing with administration will be applied for. The advertisement shall be posted at the courthouse door for six weeks, and [if there is published in the county a newspaper of general circulation, the advertisement shall also be] published *pursuant to KRS Ch. 424* [by one insertion in that newspaper weekly for six weeks]. The order dispensing with administration shall not be granted until the persons

applying for the order file in the county court the affidavit of one of them showing that advertisement for creditors has been made.

(5) The persons applying for the order dispensing with administration shall, before the order is entered, give bond with surety in double the amount of the personal estate for the benefit of any creditors who, within nine months from the intestate's death, appear and file their claims with the county clerk. This bond shall be approved by the county court and shall run to the state for the benefit of those creditors and be conditioned to be void if none of them files his claim with the clerk within nine months after the intestate's death.

Section 236. KRS 395.520 is amended to read:

In all [such] actions the court shall make an order for the creditors of the decedent to appear before a commissioner, to be appointed by the court, and prove their claims before a certain day to be named in the order, notice of which shall be given by *publication pursuant to KRS Ch. 424* [advertisement in a newspaper; or, if none be published in the county, then by such other modes as the court may judge best calculated to give such creditors actual notice of the order]; and, *by such other publication as the court directs.* [In addition to the advertisement in a newspaper, the court may direct publication in other modes.]

Section 237. KRS 412.070 is amended to read:

(1) In actions for the settlement of estates, or for the recovery of money or property held in joint tenancy, coparcenary, or as tenants in common, or for the recovery of money or property which has been illegally or improperly collected, withheld or converted, if one or more of the legatees, devisees, distributees or parties in interest has prosecuted for the benefit of others interest with him, and has been to trouble and expense in that connection, the court shall allow him his necessary expenses, and his attorney reasonable compensation for his services, in addition to the costs. This allowance shall be paid out of the funds recovered before distribution. The persons interested shall be given notice of the application for the allowance, provided, however, that if the court before whom the action is pending should determine that it is impracticable and too expensive to notify all of the parties individually, then by order of said court, personal notice may be dispensed with and in lieu thereof, notice of the application shall be given by an advertisement *pursuant to KRS Ch. 424* [in a newspaper of general circulation in the county in which the action is pending. Two such newspaper advertisements shall be required and said advertisements shall be at least seven days apart].

(2) The compensation herein provided for shall be authorized in actions now pending as well as actions hereafter instituted; provided,

that in actions now pending final orders and judgments have not been ordered and the fund has not come into actual being.

Section 238. KRS 422.180 is amended to read:

(1) The party desiring to take the deposition of any witness shall give ten days' notice in writing to all parties known to him to be interested in, or setting up or attempting to set up claim to, the real property or any interest therein. The notice shall state the time and place the depositions will be commenced to be taken, and that the same will be continued from day to day, at the same place and between the hours of 8 a.m. and 6 p.m., until the same is completed and that depositions are to be taken in behalf of the title to a certain tract of land known as ______________________ tract, lying on the ____________________________________ (here give the local description), in __________________________ County, in the state of Kentucky, and that the depositions are being taken for the purpose of perpetuation of the testimony expected to be given. [If there is a newspaper of general circulation published in the county where the real property lies.] The party desiring to take the deposition shall give further notice as above recited, by having the notice published *pursuant to KRS Ch. 424* [in such newspaper at least four weeks if it is a weekly newspaper or fifteen days if it is a daily paper]. Such party shall also have a like notice posted at the front door of the courthouse in the county where the real property lies at least fifteen days before the taking of the depositions. [If no such paper is published in the county in which the proceeding is filed, printed or written notices shall, in addition to the actual notices served on the known parties, be posted on the front door of the courthouse, one at a public place on the real property involved, two at public places in the neighborhood thereof and at six other public places in the county.] Sixty days' notice shall be given to nonresidents of the time of taking of such depositions unless they waive notice through their attorney or otherwise.

(2) The guardian ad litem for an infant and the attorney for a nonresident shall, as soon as notified of his appointment, if possible, give written notice to the infant or nonresident whom he represents of the fact and nature and purpose of the proceeding, and if no person, other than himself, appears by special employment to represent those whom he was appointed to represent, he shall appear and, if necessary, cross-examine and do all necessary to protect the interest of his ward or non-resident claimant against any fraud, imposition or injury. Such guardian ad litem or attorney shall file with the clerk a written report showing what effort he made to give notice to his ward or non-resident party, and state what, if any, information he has received from them, and shall be allowed a reasonable sum for his services to be paid by the party seeking to perpetuate the evidence.

Section 240. KRS 426.560 is amended to read:

In addition to the notices now required by statute to be posted, all public sales of any kind of property sold under execution, judgment or decree, shall, unless otherwise agreed upon by the parties be advertised *by publication pursuant to KRS Ch. 424.* [in a newspaper of bona fide circulation published in the county of the sale at least once a week for three consecutive weeks next preceding the day of sale. In counties where there is a daily newspaper published or in general circulation, publication of the notice of sale for three consecutive days next preceding the day of sale shall be sufficient.] The advertisement shall state the time, place and terms of sale and describe the property to be sold. The newspaper advertisement shall not be necessary where the appraised value of the property to be sold is less than one hundred dollars

ARTICLE XX

Section 1. KRS 6.040 is amended to read:

(1) Any reference in KRS 6.010 to a city, ward, district or precinct means that city, ward, district or precinct as its boundaries existed on February 28, 1963.

(2) Unless the context requires otherwise, any reference in KRS 6.030 to a city, ward, district or precinct means that city, ward, district or precinct as its boundaries existed on February 28, 1963.

Section 2. KRS 7.122 is amended to read:

The Legislative Research Commission shall analyze the statutes of the Commonwealth and prepare *measures* [a revision thereof,] classifying, consolidating and re-arranging the sections for purposes of classification, brevity and simplicity and removing *obsolete provisions,* conflicts, implied repeals and other errors resulting from new legislation and sectional revision. In this revision the commission shall not alter the sense or effect of the statutes in any way. The general review directed by this section shall be in addition to the regular statute revision work being performed by the commission. The commission may proceed by either topical revision or bulk revision and shall submit a report of the [general] revision program to *each regular* [the 1960] session of the General Assembly. *The* [Such] report shall include *the* [such] *measures* [revised statutes as are] recommended for enactment by the General Assembly.

Section 3. KRS 13.102 is repealed and re-enacted to read:

No state agency other than the Legislative Research Commission shall publish administrative rules or regulations unless the rules or regulations are enclosed in a booklet or binder on which the words "Informational Copy" are clearly stamped or printed.

Section 4. KRS 23.290 is amended to read:

Every special judge designated under KRS 23.230 [or 23.250, or under subsection (2) of KRS 23.240,] shall be paid for his services such sum per day as would be the equivalent of the rate of compensation received from the State Treasury by the regular judge it computed on a daily basis [and those designated under KRS 23.250 or under subsection (2) of KRS 23.240 shall be paid their actual expenses, not to exceed ten dollars per day, when acting outside the county of their residence]. Claims for *the* [such] compensation [and expenses] shall be allowed and paid as provided by law for the payment of other claims against the Commonwealth, but before *the* [such] claims are allowed by the Department of Finance the amount thereof and the number of days' services rendered on the bench [, together with a statement of expenses,] shall be entered upon the order book of the court over which the special judge is designated to preside, and the same shall be presented to and aproved by the Chief Justice of the Court of Appeals.

Section 5. KRS 24.052 is amended to read:

The Eighth Judical District *is* [, as re-constituted by the 1962 amendment to KRS 23.040, shall be] a court of continuous session. As such court it shall, by order and rules adopted pursuant to the provisions of KRS *24.065* [24.030] and CR 83, fix the times at which petit and grand juries shall be summoned and impaneled, and with respect to petit juries may prescribe the number of terms and length of each term for which jury trials may be held, including the right to designate the terms which shall be held exclusively for the trial of civil actions and the terms devoted exclusively to the trial of criminal actions. [Providing,] *H*owever, the judge of the court shall impanel a grand jury on the first day of each month unless otherwise ordered by the court by an order entered of record, which order may prescribe the dates upon which grand juries shall be summoned and impaneled.

Section 6. KRS 25.120 is amended to read:

(1) There shall be a regular term of the county court held by the county judge in each county once every month on Monday, and until changed as provided in this subsection, shall be held on the same day it now is. The time of holding the county court in any county may be changed by an order made by the county judge and entered upon the records of the county court at the last regular term held in the year next preceding the year in which the change is to be made. Special terms of the county court may be held at any time for the transaction of any business except such as is specifically directed by law to be transacted at a regular term; and the court may adjourn from time to time until the business is disposed of, but no adjournment shall be to a time beyond the commencement of the next regular term.

(2) The county court shall be held at the courthouse, except that in counties of less than 150,000 population and containing a city of the second class, where the terms of the circuit courts are held in the city of the second class as required by law and the county does not own, operate or maintain a courthouse in the city of the second class, the county court shall be held in the city of the second class as well as at the county seat.

Section 7. KRS 57.170 is amended to read:

The contractor for state printing of the first class shall prepare indexes to the Acts of the General Assembly and the journals of the Senate and House, and have the Acts proofread by the enrolled bills. If any section of *Kentucky Revised Statutes* [this Revision or of the Codes of Practice] is amended or repealed by any Act, the printer shall refer to the section number affected. He shall receive for his work under this section such pay as is allowed by the Department of Finance. [The clerks of the respective houses shall prepare all necessary side notes for the Acts.]

Section 8. KRS 61.020 is amended to read:

The following officers shall have commissions issued to them by the Governor: Secretary of State, Auditor of Public Accounts, Treasurer, Commissioner of Agriculture, Superintendent of Public Instruction, Judges of the Court of Appeals, Clerk of the Court of Appeals, Railroad Commissioners, judges of the circuit courts, county judges, police judges, Commonwealth's attorneys, justices of the peace [, notaries public] and all the officers of the Militia of rank and grade higher than and including the rank and grade of captain.

Section 9. KRS 61.080 is amended to read:

(1) No person shall, at the same time, be a state officer, a deputy state officer or a member of the General Assembly, and an officer of any county, city or other municipality, or an employe thereof.

(2) The offices of justice of the peace, county judge, surveyor, sheriff, deputy sheriff, coroner, constable, jailer and clerk or deputy clerk of a court, *are* [shall be] incompatible, the one with any of the others. The office of county judge and county school superintendent are incompatible.

(3) No person shall, at the same time, fill a county office and a municipal office.

(4) No person shall, at the same time, fill two municipal offices, either in the same or different municipalities.

(5) The following offices *are* [shall be] incompatible with any other public office:

(a) Member of the Public Service Commission of Kentucky;

[(b) Member of the Workmen's Compensation Board;]

(b) [(c)] Commissioner of the fiscal court in counties containing a city of the first class;

(c) [(d)] County indexer;

(d) [(e)] Member of the legislative body of cities of the first class;

(e) [(f)] Mayor and member of the legislative body in cities of the second class; and

(f) [(g)] Mayor and member of council in cities of the fourth class.

(6) No office in the Kentucky Active Militia shall be incompatible with any civil office in the Commonwealth, either state, county, district or city.

Section 10. KRS 62.160 is amended to read:

(1) The state officers by the voters of the state at large (except the Governor and Lieutenant Governor), the heads of [statutory administrative] departments of the state government, the Adjutant General, the [Director of the Division of Banking, the Director of the Division of Insurance, the Director of the Division of Motor Transportation, the Director of the Division of Game and Fish, the Executive Director of the Unemployment Compensation Commission, the] members of the Public Service Commission, [(other than the Chairman, who will give bond as Commissioner of Business Regulation), the members of the] State Fair Board [, Kentucky Aeronautics Commission,] and *Fish and Wildlife Resources* [Game and Fish] Commission, and the associate members of the State Tax Commission and the Alcoholic Beverage Control Board, shall each give bond. The amounts of the bonds shall be fixed by the Governor, which amounts as to those offices [hereinafter] set forth in *subsection (2) of* this section shall be not less than the amounts set forth for the respective offices. At any time when it appears to be to the interest of the Commonwealth the Governor may increase the penal sum of any bond or require a renewal thereof with other or additional surety.

(2) The minimum sum of the bond for the following offices shall be as follows:

Secretary of State	$ 10,000
Attorney General	10,000
State Treasurer	300,000
Commissioner of Agriculture	10,000
Superintendent of Public Instruction	50,000
Auditor of Public Accounts	25,000
Clerk of the Court of Appeals	10,000

Adjutant General	10,000
Commissioner of Finance	100,000
Commissioner of Revenue	50,000
Commissioner of Highways	50,000
Commissioner of *Corrections* [Welfare]	25,000
Commissioner of Health	10,000
[Commissioner of Business Regulation	10,000]
Commissioner of Labor	5,000
Commissioner of Conservation	10,000
State Librarian	5,000
Commissioner [Chief of the Department] of Mines and Minerals	5,000
Commissioner of Alcoholic Beverage Control	10,000
Commissioner [Director of Division] of Banking *and Securities*	25,000
Commissioner [Director of Division] of Insurance	50,000
Commissioner [Director of Division] of Motor Transportation	10,000
Commissioner [Director of Division] of [Game and] Fish *and Wildlife Resources*	5,000
[Executive Director of Unemployment Compensation Commission	20,000]
Public Service Commission	10,000
Member of State Fair Board	10,000
[Member of Kentucky Aeronautics Commission	5,000]
Member of [Game and] Fish *and Wildlife Resources Commission*	1,000
Associate member of State Tax Commission	10,000
Associate member of Alcoholic Beverage Control Board	5,000

Section 11. KRS 62.990 is amended to read:

(1) Any person who violates subsection (1) of KRS 62.010 *or subsection (1) of KRS 62.050* shall be fined not less than fifty nor more than one hundred dollars and removed from office by the judgment of conviction.

(2) If any person violates subsection (2) or [subsection] (3) of KRS 62.010, *or subsection (2) or (3) of KRS 62.050,* his office shall be considered vacant and he shall not be eligible for the same office for two years.

[(3) Any person who violates subsection (1) of KRS 62.050 shall be fined not less than fifty nor more than one hundred dollars and removed from office by the judgment of conviction.]

[(4) If any person violates subsection (2) or subsection (3) of KRS 62.050, his office shall be considered vacant and he shall not be eligible for the same office for two years.]

Section 12. KRS 63.080 is amended to read:

(1) Except as provided in subsection (2) of this section and otherwise provided by law, any person appointed by the Governor, either with or without the advice and consent of the Senate, may be removed from office by the Governor for any cause the Governor deems sufficient, by an order of the Governor entered in the Executive Journal removing the officer.

(2) Members of the Board of Trustees of the University of Kentucky, members of the Board of Regents respectively of Eastern Kentucky State [Teachers] College, Western Kentucky State [Teachers] College, Morehead State [Teachers] College and Murray State [Teachers] College may not be removed excpt for cause.

Section 13. KRS 64.185 is amended to read:

Coroners shall receive out of the county treasury such monthly compensation as the fiscal court of each county shall fix, subject to the following minimums:

	County Population	Monthly Minimum Compensation
(a)	10,000 or less	$ 25
(b)	10,001 to 20,000	50
(c)	20,001 to 40,000	75
(d)	40,001 to 60,000	100
(e)	60,001 to 100,000	125
(f)	100,001 to 200,000	150

Section 14. KRS 70.110 is amended to read:

[Except as provided in subsection (1) of KRS 64.050, which is made applicable to sheriffs by KRS 64.130:]

(1) When a sheriff dies or otherwise vacates his office, his deputies shall complete the execution of any process in his or their hands. The sureties on the bond of the sheriff may require indemnity from the deputies in the manner prescribed for sureties in official or other bonds in KRS 62.090 to 62.120. If the deputies fail to give the indemnity which the court requires, their powers to act as deputy shall be revoked by the court.

(2) When the term of a sheriff expires, he shall complete the execution of any process in his hands, and any act or omission in this respect shall be covered by his official bond.

(3) When a sheriff resigns, dies or vacates his office, the plaintiff in any process or execution, upon paying to the sheriff or his deputy the fees and lawful charges for services rendered up to the time of withdrawal, may withdraw such process or execution from the hands of the sheriff or his deputy, and place the same, at his election, in the hands of any other proper officer, who shall proceed to the execution thereof in the same manner that the sheriff or his deputy was required to do by law, and under the same penalties.

Section 15. KRS 74.020 is amended to read:

(1) A water district shall be administered by a board of commissioners, which shall control and manage the affairs of the district. The term of each commissioner *is* [shall be] four years, except as provided *in this section* [herein] *:* [.]

(a) If a district lies wholly within a single county, the board of commissioners shall consist of three residents of the district who shall be appointed by the county judge. Initial appointments shall be for terms of two, three and four years, as designated by the court. Commissioners serving under appointments on March 22, 1962, shall continue to serve until the end of their respective terms.

(b) If a district formed in a single county extends its area to include territory in an adjacent county as provided by KRS 74.115, the board of commissioners shall consist of five residents of the district, three of whom shall be appointed by the county judge of the county having the greater population within the boundaries of the district, and two of whom shall be appointed by the county judge of the remaining county. Initially upon the establishment of the extension of the district into the second county, the county judge of that county shall appoint only two commissioners, regardless of population requirements, but if the second county *is* [shall be] determined to have the larger population within the district of the two counties, he shall have the authority to fill the next vacancy existing in the representation of the original county. Orders establishing the extension shall provide for the staggering of initial terms in an equitable manner.

(2) Vacancies shall be filled by the same appointment authority which is empowered to make the original appointment. Vacancies resulting from cause other than expiration of the term shall be filled for the unexpired term only.

(3) The commission shall elect a chairman, secretary and treasurer. Each commissioner shall execute a bond, approved by the county court, conditioned on the faithful performance of the duties of his position.

(4) Each commissioner shall receive an annual salary of not more than twenty-four hundred dollars, which shall be paid out of

the water district fund. In the case of single-county districts the salary shall be fixed by the county court; in two-county districts it shall be fixed by agreement between the two county courts [, except that in districts governed by a board of commissioners appointed under the provisions of Section 1 (1) (c) of Senate Bill 285 (1962), each commissioner shall receive compensation in the amount of ten dollars per diem for each meeting of the board which he attends, but for no more than three meetings in any one month, and he shall be reimbursed for his reasonable and necessary expenses in performing authorized duties for the district]. In fixing the salary of the commissioners, the court shall take into consideration the financial condition of the district and its ability to meet its obligations as they mature.

Section 16. KRS 80.110 is amended to read:

All low-cost housing projects shall be subject to the planning, zoning, sanitary and building laws, ordinances and regulations applicable to the locality in which the project is situated. In a city of the first class, the housing commission shall submit to the city planning and zoning commission the location, character and extent of any new street, square, park or other public way, ground or open space, or any public structure or public utility, for approval in the manner provided in KRS *100.059* [100.100].

Section 17. KRS 91.590 is amended to read:

[(1) The circuit court may give redress against unlawful distraints or garnishments of rents that *are* [may be] wrongfully made or threatened under color of this chapter, but an injunction shall be granted in such proceeding only by the court or its judge, upon notice to the city and after a hearing.

[(2) Actions against the city for taxes or assessments claimed to have been illegally paid or collected shall be commenced within six months after the cause of action accrued.]

Section 18. KRS 95.830 is amended to read:

(1) Any city in the state owning or controlling fire apparatus may take it to extinguish fires to any point in the county in which that city is located, into a smaller territory in that county, or into areas of another county or state, as determined by the city legislative body. The apparatus shall be so used only in conformity with reasonable terms and regulations which the city legislative body may prescribe.

(2) [Neither] the city [nor its officers or employes] shall *not* be liable in any manner on account of the use of the apparatus at any point outside of the corporate limits of the city. The apparatus shall be deemed to be employed in the exercise of a governmental function of the city.

(3) All city or fire protection district firemen, full-paid or volunteer, serving at a fire or doing fire prevention work outside the corporate limits of a city or a fire protection district shall be considered as serving in the regular line of duty, as though they were serving within the corporate limits.

(4) Full-paid firemen shall receive no additional compensation, and volunteer firemen shall receive only the compensation provided by ordinances for such cases.

(5) All firemen *are* [shall be] entitled to the benefits of any pension fund or firemen's fund, the same as if the fire fighting or fire prevention work had been within the corporate limits of the city or the fire protection district.

Section 19. KRS 97.405 is amended to read:

All powers and duties *formerly* [heretofore] granted to or imposed upon the Board of Park Commissioners (White) or the Board of Park Commissioners (Colored) in any city of the second class *are* [shall be] vested in the city. *The title to all park property formerly held by either board in the city is vested in the city, subject to any leases in effect as of May 18, 1956.*

Section 20. The following new section is added to KRS 97.405 to 97.485:

(1) The city has the care, management and custody of the parks and grounds used for park purposes, the boulevards and parkways belonging to the city or in the control of the city, and all property acquired for park purposes or public squares by the city.

(2) Each city may:

(a) Contract and be contracted with, sue and be sued, have and use a corporate seal and alter and renew it at pleasure;

(b) Acquire and hold property for public parks and public squares and for parkways connecting the parks, by condemnation, contract, purchase or gift;

(c) Lay out and improve the parks, parkways, squares and other property held or managed by it with walks, drives, roads, trees and other proper improvements, and contract for such improvements;

(d) Protect all property and improvements belonging to the board or under its management or control from injury or decay;

(e) Adopt rules and regulations for the reasonable and proper use and for preventing injuries to or misuse of all parks, parkways, public squares, boulevards, driveways, walks and park property generally;

(f) Prevent disorder and improper conduct within the precincts of any park or enclosure, or upon any drive, walk or avenue under the control of the city;

(g) Control and manage the planting and care of all shade trees along the sidewalks and thoroughfares of the city, and adopt and enforce rules and regulations necessary for the protection and care of the trees.

(3) In locating parks the city shall regard the needs of the different sections of the city and the suitability of the ground for park purposes, as well as the cost thereof. The city shall have discretion as to the location and improvement of parks.

(4) The police power of the city extends over the park property of every kind, as it is acquired. All violations of the park rules and regulations and all other offenses committed within any park property or precinct shall be punished as provided by law in cases of misdemeanors and violations of city ordinances.

Section 21. KRS 97.425 is amended to read:

The term "park property" as used in KRS 97.405 to 97.485 shall be liberally construed, and [shall] include*s* all parks, squares and areas of land within the management of *the city* [either the Board of Park Commissioners (White) or Board of Park Commissioners (Colored)]; all buildings, structures, improvements, seats, benches, fountains, trees, plants, herbages, flowers and other things thereon and the enclosures of same; all shade trees on streets or thoroughfares, resting places, watering stations, playgrounds necessary and incidental to such public parks and property, parade grounds and the like; all connecting parkways and roads or drives between parks, all avenues, roads, ways, drives, walks, with all trees, shrubbery, vines, flowers and ornaments of any description; all birds, animals or curiosities or objects of interest or instruction placed in or on any such enclosures, ways, parkways, roads or places; all maintenance and construction equipment, recreation supplies, and facilities, and any interest or right which the *city is* [Board of Park Commissioners (White) or the Board of Park Commissioners (Colored) may have been] able to exercise.

Section 22. KRS 97.485 is amended to read:

[(1) The Board of Park Commissioners (White) and the Board of Park Commissioners (Colored) in cities of the second class shall cease to exist upon the effective date of KRS 97.405 to 97.485.]

[(2)] Nothing in KRS 97.405 to 97.485 shall be construed to conflict with the provisions of KRS 97.020.

Section 23. KRS 98.180 is amended to read:

The fiscal court of any county containing a city [or cities] of the first class and the legislative body of any city of the first class in *the* [said] county may, upon their joint action, combine, consolidate and jointly control, *the* [as provided in KRS 98.190 to 98.290, such] departments, boards and other organizations [now existing or which in the future shall be] created for the purpose of serving either the county or the city, or both, in the administration and supervision of: All forms of public assistance, general relief, and social services to adults and children in homes or eleemosynary and correctional institutions; city and county eleemosynary institutions; city and county penal institutions including the establishment of rules and regulations for the custody, government, and parole of inmates; other public welfare activities or services which *are* [may be] placed within the control of the *city or fiscal court* [board].

Section 24. KRS 118.250 is amended to read:

(1) The county clerk shall, at the time he delivers the ballots, furnish to the election officers of each precinct a number of printed copies, equal to five percent of the ballots furnished the precinct, of the following oath:

State of Kentucky)
) ss.
County of _______________)

I do solemnly swear that I am not less than *eighteen* [twenty-one] years of age; I have resided in the State of Kentucky one year, in the county of ______________________six months, and in precinct No. ______ sixty days, next preceding the ______________ election, 19____; that I resided at No. __________ street; that my two nearest neighbors are __________________ and __________________; and that I have never been convicted in any court of any felony or bribery and not pardoned therefor; and that I know of no legal disqualification that should prevent my vote from being cast and counted at this election.

____

Subscribed and sworn to before me this the ____________ day of ___________________________, 19____.

____
Judge of the Election

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(2) Whenever the officers of election disagree as to the qualifications of any person who offers to vote, one of the judges of the election shall addminister the oath prescribed in the form set out in subsection (1) of this section, and shall correctly fill out the blanks in ink. He shall then require the person offering to vote to subscribe his name thereto, with pen and ink, and shall certify the signature. If the person refuses to take the oath and to subscribe

his name thereto, he shall not be permitted to vote. If he does take the oath and subscribe his name thereto and no counter affidavit is filed, he shall be permitted to vote, unless he is further challenged as provided in KRS 118.260. The oaths so subscribed and certified shall be returned to the county clerk with the poll books.

(3) The county clerk shall safely keep the oaths and shall deliver them to the foreman of the grand jury on the first day of the next term of circuit court held in the county.

(4) The Commonwealth's and county attorney shall investigate each of the oaths and cause to be summoned before the grand jury *the* [such] witnesses [as] they, or either of them, deem proper, and the grand jury shall make a thorough investigation of all votes so cast, and return indictments against all persons [so] illegally voting. The foreman of the grand jury shall return to the county clerk all of the oaths upon which no indictments are found. The clerk shall safely keep them as a part of the records of his office, and shall produce any or all of them, when required, to any subsequent grand jury.

Section 25. KRS 118.340 is amended to read:

Any person entitled to a vote at any election in this state shall, if he has made application for [such] leave prior to the day of election, be entitled to absent himself from any services or employment in which he is then engaged or employed for a period of four hours on the day of the election, between the time of opening and closing the polls. Such person shall not, because of so absenting himself, be liable to any penalty. [nor shall any deduction be made on account of such absence from his usual salary or wages.] The employer may specify the hours during which the employe may absent himself. No person shall refuse an employe the privilege hereby conferred, or discharged or threaten to discharge an employe or subject an employe to a penalty [or deduction of wages,] because of the exercise of the privilege.

Section 26. KRS 119.070 is amended to read:

(1) The provisions of KRS 119.050 do not apply to candidates for judge of the Court of Appeals or to candidates for judge of the circuit court. For such judidcial positions any eligible person may become or be proposed as a candidate for nomination by any and every political party having a ticket to be voted for in the district for which the office is to be filled, but such persons shall not be required to seek *the* [such nomination or] nominations nor to make a declaration of party loyalty or support, and as a requirement for such nomination shall not be required to *be* [have] registered as affiliated with any political party or to *be* [have] registered at all as a voter. The nomination [or nominations] may be proposed for an

eligible candidate either by resolution of the proper committee or by the application *of* [to] two reputable electors, of any political party whose nomination is sought. The resolution or application shall be filed as provided by KRS 119.080 for other nomination papers. The name of a candidate shall not be placed upon the ballot if, before the preparation of the ballots, he files with the officer with whom the nomination papers were filed a written objection, signed and sworn to by him.

(2) The name of a successful candidate in the primary for nomination [or nominations] for [such] judicial offices shall appear on the ballot at the regular election under the device of as many political parties as have nominated the candidate. He may appear thereon by petition of voters, or otherwise as may be permitted by law, and at the regular election shall be entitled to the total of the votes that he receives on the ballot.

(3) Before any successful candidate for [such] judicial nomination *is* [or nominations shall be] given his certificate [or certificates] of nomination, he shall file with the county clerk of the county in which he resides a statement that during the campaign for the nomination [or nominations] he did not, and while a candidate for the office will not, knowingly violate any election law or any law relating to corrupt and fraudulent practice in campaigns or elections in this state, and if elected will qualify for the office.

[(4) Nothing in this section shall prevent any political party from offering a candidate for election for such judicial offices under the device of the party, if the governing authority of the party in the district affected so orders.]

Section 27. KRS 119.170 is amended to read:

Any candidate may, by motion and affidavit filed in the circuit court of the county where the cause of action arises, ask the court to correct any error or omission that has occurred or is about to occur in placing or failing to place the name of any candidate on the official primary ballot, or any error or wrong that has been or is about to be committed in the printing of the ballots, or to compel any officer to perform any duty imposed by this chapter that he has failed or is about to fail to perform. Upon filing the motion and affidavit, the court shall order the officer or person charged with the error, wrong, neglect or failure to show cause why he should not forthwith correct the error, desist from the wrongful act, supply the failure, or perform the duty. Notice of the filing of the motion and affidavit and of the time and place of hearing on the order to show cause shall be served upon the officer or person complained of in the manner provided in the *Rules of Civil Proceddure* [Civil Code] for service of motions. If the circuit court is not in session in the county, the circuit judge of the district in which the county lies shall hear and determine the matter. If the circuit judge is absent from the district, the motion and affidavit shall be filed before the circuit judge of a contiguous district, and if no such judge is in his district it may be filed before any circuit judge in the state. The court or judge with whom the motion and affidavit is filed shall have full power to hear the matter during court or in vacation in a summary manner, and to determine and make final orders therein, and when any such order is made it shall be conclusive and not subject to appeal. Failure to obey the orders of the court or judge shall be treated as contempt of court and may be punished as such. The candidate instituting the proceedings shall pay the costs of the proceedings.

Section 28. KRS 120.020 is amended to read:

The electors of President and Vice President of the United States shall convene at the State Capitol, at 10 a.m. on the *first Monday after the second Wednesday in December next* [second Monday in January] after their election, give their votes at or after 12 *noon* [m.], and make return thereof according to law. If any elector fails to attend by 12 *noon* [m.] on the day of the meeting, those in attenance shall fill his place by the election of another person, who shall have the same powers as if originally elected by the people.

Section 29. KRS 150.021 is amended to read:

(1) [There is created an agency of the state government to be known as] *T*he Department of Fish and Wildlife Resources [, which shall] constitute*s* a [statutory administrative] department of the state government within the meaning of KRS Chapter 12. The department [shall] consist of a Commissioner, a Fish and Wildlife Resources Commission and [such] conservation officers and other agents and employes [as are] provided for in this chapter. The department shall enforce the laws and regulations adopted under this chapter relating to wild life and shall exercise all powers necessarily incident thereto.

(2) Any powers conferred by this chapter upon the Department of Fish and Wildlife Resources, the Fish and Wildlife Resources Commission, or the Commissioner of the Department of Fish and Wildlife Resources shall be exercised subject to the provisions of KRS Chapters 42, 45, 56 and 64, which chapters shall in all respects be controlling [, and any reference in those chapters to the Division of Game and Fish, the Game and Fish Commission, or the Director of the Division of Game and Fish shall be deemed to refer, respectively, to the Department of Fish and Wildlife Resources, the Fish and Wildlife Resources Commission, and the Commissioner of the Department of Fish and Wildlife Resources].

Section 30. KRS 175.580 is amended to read:

(1) Except as [may] otherwise [be] provided in the agreement or lease relating thereto, each turnpike project when constructed and opened to traffic shall be maintained and kept in good condition and repair by the department under the terms and provisions of *the* [such] agreement or lease, and shall be operated and maintained by such force of tolltakers, and other operating and maintenance employes, as the department may in its discretion employ, and the department shall not be reimbursed for the cost thereof unless expressly otherwise provided in *the* [such] agreement or lease.

(2) All private property damaged or destroyed in carrying out the powers granted by this chapter shall be restored or repaired and placed in its original condition as nearly as practicable or adequate compensation made therefor out of funds provided under the authority of this chapter.

(3) All counties, cities, towns and other political subdivisions and all public agencies and commissions of the Commonwealth, notwithstanding any contrary provision of law, *may* [are hereby authorized and empowered to] lease, lend, grant or convey to the authority at its request, upon such terms and conditions as the proper authorities of *the* [such] counties, cities, towns, political subdivisions, agencies or commissions of the Commonwealth [may] deem reasonable and fair and without the necessity for any advertisement, order of court or other action or formality, other than the regular and formal action of the authorities concerned, any real property which *is* [may be] necessary or convenient to the affectuation of the authorized purposes of the authority, including public roads and other real property already devoted to public use.

(4) On or before January 30 in each year the authority shall make an annual report of its activities for the preceding [calendar] year to the Governor and to the General Assembly. Each such report shall set forth a complete operating and financial statement covering its operations during the year. The authority shall cause an audit of its books and accounts to be made at least once in each year by certified public accountants and the cost thereof may be treated as a part of the cost of construction or operation of the project. Such audits *are* [shall be deemed to be] public records within the meaning of KRS *171.590* [12.140].

(5) No officer or employe of the authority or of the department shall have any interest, direct or indirect, in the sale or purchase of any bonds authorized by this chapter. Violation of this provision shall be punishable by a fine of not more than one thousand dollars or by imprisonment for not more than one year, or both.

Section 31. KRS 179.020 is amended to read:

(1) The county judge of each county, with the consent of the fiscal court, may employ a county road engineer. Any person so employed shall be either a civil or highway engineer licensed in accordance with KRS Chapter 322, or a person who [has] successfully passed an examination for county road engineer under this section prior to its amendment by the 1950 General Assembly, and who [has] qualified and served as such. [; provided,] *However,* [that after the effective date of the 1950 amendment to this section,] no further examinations for county road engineer shall be given.

(2) If the fiscal court does not provide for a county road engineer, the duties of *the* [said] county road engineer, except insofar as they may be in conflict with the provisions of KRS Chapter 322, shall be performed by a county road supervisor, who shall be employed by the county judge with the consent of the fiscal court, and who may be removed in the same manner provided for county road engineers. No person shall be employed as county road supervisor unless he [shall] meet*s* the following requirements:

(a) He *has* [shall have] at least three years' practical road building experience of a nature satisfactory to examining authorities selected by the Department of Highways for the Commonwealth of Kentucky, and

(b) He *has* [shall have] passed an examination, either oral or written, or both, given by *the* [said] examining authorities, and *has* [shall have] received a certificate of qualification from *the* [said] authorities.

(3) The county surveyor may be employed as county road engineer, if qualified under subsection (1) of this section, or as county road supervisor if qualified under subsection (2) of this section, and for his services as engineer or supervisor he shall receive a salary in addition to fees allowed by law for his services as county surveyor.

(4) When no qualified applicant who is acceptable to the fiscal court is available for employment, the county judge, with the consent of the fiscal court, may employ a temporary supervisor not qualified under subsection (2) of this section for a period of three months, but in no event shall a temporary supervisor be used for more than three months during any one term of a county judge.

(5) This section shall not be construed to prohibit the supervision of the construction and maintenance of roads, without additional compensation, by the county judge, or by committees of the fiscal court, in counties where the position of road engineer or road supervisor has not been established by the fiscal court [, or in accordance with the provisions of KRS 179.080 to 179.100, in counties where the roads are worked by hands as provided in KRS 179.120].

(6) Two or more counties, by a contract approved by order of the fiscal court of each of the counties, may authorize the county judges of the contracting counties to employ the same employe as county road engineer or county road supervisor to serve in all counties so contracting, and for the apportionment of the amount of his salary to be paid by each county.

(7) The period of employment for any county road engineer or county road supervisor shall be two or four years, in the discretion of the fiscal court, beginning with the second Tuesday in January of an even-numbered year. Othr terms of employment, and the salaries of all persons employed under the provisions of this section, shall be fixed by the fiscal court.

Section 32. KRS 181.010 is repealed and re-enacted to read:

(1) As used in this chapter, unless the context otherwise requires:

(a) "Bridge" includes the bridge and the approaches thereto;

(b) "Employe" includes agents, servants and independent contractors;

(c) "Owner" means any person having any title or interest in lands, structures, right of way, franchises, easements or other interests in lands; and

(d) "Streets" includes lanes and alleys.

(2) As used in KRS 181.560 to 181.840, unless the context otherwise requires:

(a) "Cost of bridge" as applied to a bridge acquired by purchase, includes the purchase price, cost of improvements, financing charges, interest during any period of disuse before completion of improvements and for a period of six months after purchase or completion, cost of traffic estimates and of engineering and legal expenses, specifications and surveys, estimates of cost and of revenues, other expenses incident to determining the feasibility or practicability of the enterprise, and administrative and other expenses incident to financing and acquiring the bridge and placing it in operation;

(b) "Cost of bridge" as applied to a bridge to be constructed, includes the cost of construction, the cost of acquiring necessary land, property rights, easements and franchises, financing charges, interest during construction and for a period of six months thereafter, cost of traffic estimates and of engineering and legal expenses, plans, specifications, surveys, estimates of cost and of revenues, other expenses incident to determining the practicability of the enterprise, and expenses incident to financing the constructing of the bridge and placing it in operation; and

(c) "Improvements" means repairs, replacements and additions to a bridge acquired by purchase which are deemed necessary to place the bridge in a safe and efficient condition for public use, when such improvements are ordered prior to the sale of bonds for acquisition of the bridge.

Section 33. KRS 186.005 is amended to read:

(1) It is [hereby] declared to be the policy of this Commonwealth that all commercial vehicles should be regulated, registered and the laws pertaining thereto be administered by the Department of Motor Transportation. Motor vehicles other than commercial vehicles should be registered, regulated and controlled by the Deparment of Revenue and the Department of Public Safety. [The Statute Reviser is hereby directed to change the designation in any of the statutes so that the proper department having control and jurisdiction over the different types of motor vehicles is properly identified.]

(2) [The registration plates and receipts issued in accordance with the terms of this chapter are on a calendar year basis, and since the above policy of the Commonwealth involves a change in a responsibility of the respective departments, and in order that the transition of responsibility will be as smooth as possible, the Department of Revenue will administer the provisions of this chapter during the balance of the calendar year 1962. All responsibility for the issuance of plates, receipts, regulations and administration of this chapter with regard to commercial vehicles shall be assumed by the Department of Motor Transportation with regard to the 1963 receipts, plates, regulations and administration of the provisions pertaining thereto. The Department of Motor Transportation *may* [shall have the authority to] promulgate regulations and prepare the proper insignia and forms, which forms shall include information required by the Department of Revenue, in order to *administer* [be ready to undertake the burden of administering] the provisions of this chapter with regard to commercial vehicles [as of January 1, 1963, and thereafter].

Section 34. KRS 195.010 is amended to read:

(1) There is hereby created a Department of Economic Security which shall constitute a statutory administrative department of the State Government within the meaning of Chapter 12 of the Kentucky Revised Statutes. The department shall be headed by a Commissioner of Economic Security who shall be the executive officer and shall have sole charge of the administration of the department.

(2) The commissioner *may* [shall have the authority,] with the approval of the Governor, [to] appoint an executive assistant, the executive directors of the Bureau of Employment Security and Bureau of Social Services, the directors of the various divisions in

the department, prescribe their duties and fix their salaries, commensurate with their duties. [, not to exceed five thousand dollars per year.]

(3) The commissioner *may* [shall have the power and authority to] adopt *the* [such] rules and regulations [as are] necessary to qualify for the receipt of federal funds, for cooperation with other state and federal agencies and for the administration of the department.

Section 37. KRS 195.040 is amended to read:

(1) The Bureau of Employment Security shall be headed by an executive director who shall be chairman of the Unemployment Insurance Commission [, and all of the powers, functions, and duties heretofore performed by the Unemployment Compensation Commission and the executive director of the Unemployment Compensation Commission, as provided in KRS Chapter 341, the Director of Employment Service, and the Employment Service Commission are hereby transferred to and vested in the Bureau of Employment Security]. The executive director, with the prior approval of the commissioner, *may* [is authorized to] integrate and combine the functions and duties of the divisions within the bureau insofar as he considers such integration and combination economical and practicable for the proper and efficient administration of the bureau.

[(2) The existing Unemployment Compensation Commission is hereby transferred to and shall hereafter constitute a division of the Bureau of Employment Security, and shall hereafter be known as the Division of Unemployment Insurance. All the powers, functions, and duties heretofore performed by the Unemployment Compensation Commission shall continue to be vested in the Division of Unemployment Insurance.]

(2) [(3)] The Bureau of Employment Security shall establish and maintain free public employment offices in such number and such places as *are* [may be] necessary for the proper administration of KRS Chapter 341 and for the purpose of performing such duties as are within the purview of the Act of Congress entitled "An Act to provide for the establishment of a National Employment Service and for Cooperation with the State in the Promotion of Such System, and for Other Purposes," approved June 6, 1933 (48 Stat. 113, U. S. Code, Title 29, Section 49 (c)), as amended, and known as the Wagner-Peyser Act. All duties and powers [conferred upon any other department, agency or officer of this state,] relating to the establishment, maintenance, and operation of free employment officers *are* [shall be] vested in the Department of Economic Security. The provisions of the *Wagner-Peyser* [said] Act [of Congress], as amended, are hereby accepted by this state, in conformity with Section 4 of *the* [said] Act, and this state will observe and comply with the requirements thereof. The Department of Economic Security

is hereby designated and constituted the agency of this state for the purpose of the [said] Wagner-Peyser Act.

[(4) The personnel of the existing Employment Service Commission shall be transferred to employment in the Division of Employment Service in the Bureau of Employment Security.]

Section 38. KRS 195.050 is amended to read:

(1) The Bureau of Social Services shall be headed by an executive director. The executive director, with the prior approval of the commissioner, is authorized to integrate and combine the functions and duties of the divisions within such bureau insofar as practical for the proper and efficient administration of the bureau.

(2) The Division of Public Assistance and the Division of *Social* [Children's] Services, [as established,] shall constitute the Bureau of Social Services.

Section 40. KRS 200.010 is amended to read:

(1) As used in KRS Chapter 200, unless the context requires otherwise, "Department" means Department of *Child Welfare* [Economic Security].

(2) As used in KRS 200.080 to 200.240, unless the context requires otherwise, "Mother" includes any female person standing in loco parentis to any child under fourteen years of age.

Section 41. KRS 205.325 is amended to read:

All claims against the estate of recipients of public assistance payments and all liens created pursuant to KRS *205.290 and 205.310* [205.260 to 205.320], not enforced by collection *on May 18, 1956* [at the time 1956, c. 10 takes effect], are void.

Section 42. KRS 210.150 is amended to read:

The Division of *Farm Management in the Department of Corrections* [Agricultural Production in the Department of Welfare,] under agreements with the Department of Mental Health, shall supervise the management and operation of any farm or agricultural facilities attached to or a part of any of the institutions operated by the Department of Mental Health. The products of any such farm or agricultural facility shall be furnished to the institution for its use or sold or exchanged for the use of the institution.

Section 43. KRS 211.100 is amended to read:

The department shall be divided into the following divisions: Division of Budgets and Accounts, Division of Building and Common Services, Division of Preventive Medicine, Division of Dental Health, Division of Food and Drug Control, Division of Hospital Services, Division of Legal Services, Division of Local Health

Services, Division of Maternal and Child Health, *Division of Medical Care,* Division of Medical Licensure, Division of Nutrition, Division of Occupational Health, Division of Personnel and Training, Division of Public Health Education, Division of Public Health Engineering, Division of Public Health Laboratories, Division of Public Health Nursing, Division of Public Health Sanitation, Division of Statistical Services, Division of Tuberculosis Control and Division of Vital Statistics.

Section 44. KRS 230.990 is amended to read:

(1) [(2)] Any person who violates KRS 230.070 or subsection (3) of KRS 230.080 shall be fined not more than one thousand dollars. In addition to the fine, he shall be imprisoned in the county jail for not more than one year or imprisoned in the penitentiary for not more than two years.

(2) [(3)] Any person who violates KRS 203.090 shall, for each offense, be fined not more than five hundred dollars, or imprisoned for not more than six months, or both fined and imprisoned.

(3) [(4)] Any person who violates subsection (2) of KRS 230.130 shall be fined not less than five hundred nor more than one thousand dollars for each day of the meeting or racing.

[(5) Any person who violates KRS 230.150 or subsection (3) of KRS 230.160 shall be fined not more than one thousand dollars. In addition to the fine, he shall be imprisoned in the county jail for not more than one year or imprisoned in the penitentiary for not more than two years.]

[(6) Any person who violates KRS 203.170 shall, for each offense, be fined not more than five hundred dollars, or imprisoned for not more than six months, or both fined and imprisoned.]

Section 45. KRS 242.125 is amended to read:

(1) In any county in which the provisions of KRS 242.220 to 242.430 are applicable by reason of an election for the entire county having heretofore resulted in favor of prohibition, an election may be held in any city of the first four classes in such county to take the sense of the people of *the* [such] city as to the discontinuance of prohibition in *the* [such] city. For this purpose, the election in *the* [such] city shall not be deemed to be an election in the "same territory" as that in which the county-wide election was held, within the meaning of subsection (5) of KRS 242.030. If, at *the* [such] election for [such] a city, the majority of the votes cast are against prohibition, the vote [shall] make*s* KRS 242.220 to 242.430 inapplicable to the entire city, but this *does* [shall] not prevent an election from thereafter being held in any precinct of *the* [such] city, subject to the provisions of KRS Chapter 242, to take the sense of

the people of *the* [such] precinct as to the application of KRS 242.220 to 242.430 in *the* [such] precinct.

(2) In any election hereafter held for an entire county, which county is not at the time of *the* [such] election dry territory by reason of a county-wide election heretofore held, for the purpose of taking the sense of the voters as to the application of KRS 242.220 to 242.430 in *the* [such] county, the voters within each city of the first four classes in *the* [such] county shall be furnished a ballot upon which the question shall be, "Are you in favor of the sale of alcoholic beverages in (name of city)?" [(Provided, however, that] *N*o ballot shall be furnished to the voters of any city of such class, if, less than three years prior to the date of the proposed county-wide election *a city-wide election* was held in *the* [such] city at which a majority of the votes cast were against prohibition. The status of such a city *is not* [shall not be] affected by the result of the county-wide election. [)] The voters outside of the cities of such classes shall be furnished a ballot upon which the question shall be, "Are you in favor of the sale of alcoholic beverages in (name of county), outside of the corporate limits of the cities of the first four clases?" The ballots of each such city shall be separately tabulated, and the ballots of the voters outside such cities shall be separately tabulated. If the majority of votes cast in any such city are for prohibition, KRS 242.220 to 242.430 shall apply to the entire city. If the majority of votes cast in any such city are against prohibition, then KRS 242.220 to 242.430 shall be inapplicable, except, that if, that at the time of *the* [such] election any number of precincts of the city, less than the entire city were dry territories, the votes shall not make KRS 242.220 to 242.430 inapplicable in such precinct. If the majority of votes cast in any [such] city are against prohibition, and if, at the time of such election, the entire city was dry territory, KRS 242.220 to 242.430 shall be inapplicable to the entire city. If the majority of votes cast in the county outside of such cities of the first four classes are for prohibition, KRS 242.220 to 242.430 shall apply to all of the county outside of *the* [such] cities. If the majority of the votes cast in the county outside of *the* [such] cities are against prohibition, the votes shall not make KRS 242.220 to 242.430 inapplicable to any district or precinct *outside* of *the* [such] cities that was dry territory at the time of the election.

(3) If, in a city-wide election [hereafter] held in a city of the first four classes for the purpose of taking the sense of the voters as to the adoption or discontinuance of the application of KRS 242.220 to 242.430 to *the* [such] city, other than an election coming within the provisions of subsection (1) or (2) of this section, the majority of the votes cast are for prohibition, KRS 242.220 to 242.430 *applies* [shall apply] to every portion of the city. If, in any [such] city-

wide election, the majority of the votes cast are against prohibition, and if, at the time of *the* [such] election, any number of precincts in *the* [such] city less than the entire city were dry territories, the votes *do* [shall] not make KRS 242.220 to 242.430 inapplicable to such precincts. If, in any city-wide election, the majority of votes cast are against prohibition, and if, at the time of the election, the entire city was dry territory, KRS 242.220 to 242.430 *is* [shall be] inapplicable to the entire city.

(4) In the case of any city located in more than one county, the portion of *the* [such] city located in each county shall, for the purpose of any election under KRS Chapter 242, be deemed to be a city of the class to which the entire city belongs, and the status of the portion of the city in each county, with respect to the application of KRS 242.220 to 242.430, *is* [shall be] governed by the election held within such portion, or in the individual precincts within such portion, as provided in this section.

Section 46. KRS 277.330 is amended to read:

If cattle are killed or injured by the locomotive or cars of any railroad company on a track adjoining the lands belonging to or occupied by the owner of the cattle, and the owner has not received compensation for fencing his land along the railroad right of way, the loss shall be divided between the railroad company and the owner of the cattle, unless the cattle were killed or injured by the negligence of the agents or servants of the railroad company, in which case the company shall pay full damages. [The killing or injury of cattle by the engine or cars of any railroad company shall be prima facie evidence of negligence on the part of the agents and servants of the company.]

Section 47. KRS 304.061 is amended to read:

(1) For the purpose of this code, "state" means any state of the United States, [the territories of Alaska and Hawaii,] the Government of Puerto Rico and the District of Columbia.

(2) For the purposes of this code, "United States," when used to signify place, means only the states of the United States of America, [the Territories of Alaska and Hawaii,] the Government of Puerto Rico and the District of Columbia.

Section 48. KRS 311.990 is amended to read:

(1) [(3)] Any person who violates 311.250 shall be fined fifty dollars for the first offense and one hundred dollars for each subsequent offense.

(2) [(6)] Any college or professor thereof violating the provisions of KRS 311.300 to 311.350 shall be civilly liable on his bond

for a sum not less than one hundred dollars nor more than one thousand dollars for each violation, which may be recovered by an action in the name of the Commonwealth.

(3) [(7)] Any person who [shall] present*s* to the county clerk for the purpose of registration any license which has been fraudulently obtained, or [shall] obtain*s* any license under KRS 311.380 to 311.510 by false or fraudulent statement or representation, or [shall] practice*s* *podiatry* [chiropody] under false or assumed name or [shall] falsely impersonate*s* another practitioner or former practitioner of a like or different name, or [shall] aid*s* and abet*s* any person in the practice of *podiatry* [chiropody] within the state without conforming to the requirements of KRS 311.380 to 311.510, or [shall] otherwise violate*s* or neglect*s* to comply with any of the provisions of KRS 311.380 to 311.510, shall be fined not less than two hundred and fifty dollars nor more than five thousand dollars or imprisoned in the county jail for not less than three months nor more than twelve months, or both so fined and imprisoned. Each case of practicing *podiatry* [chiropody] in violation of the provisions of KRS 311.380 to 311.510 shall be considered a separate offense.

(4) [(8)] Each first violation of KRS 311.560 *is* [shall be] punishable by a fine of not less than two hundred and fifty nor more than five thousand dollars or by imprisonment for not less than one month nor more than twelve months, or both. Each subsequent violation of KRS 311.560 [shall] constitute*s* a felony and *is* [be] punishable by a fine of not less than one thousand nor more than ten thousand dollars or by imprisonment in a penitentiary for not less than one nor more than three years, or both.

(5) [(9)] Each violation of subsection (1) of KRS 311.585 [shall] constitute*s* a misdemeanor and *is* [be] punishable by a fine of not less than one hundred nor more than five hundred dollars or by imprisonment of not more than thirty days, or both, and each day [shall] constitute*s* a separate offense.

(6) [(10)] Each violation of KRS 311.590 [shall] constitutes a felony and *is* [shall be] punishable by a fine of not less than one thousand nor more than ten thousand dollars or by imprisonment in a penitentiary for not less than one nor more than three years. Conviction, under this subsection, of a holder of a license or permit, shall result automatically in permanent revocation of *the* [such] license or permit.

(7) [(11)] Conviction of willfully resisting, preventing, impeding, obstruction, threatening or interfering with the board or any of its members, or of any officer, agent, inspector or investigator of the board or the Department of Health, in the administration of any of the provisions of KRS 311.550 to 311.620 shall be punishable

by a fine of not more than one thousand dollars or by imprisonment for not more than six months, or both.

(8) [(12)] Each violation of subsection (1) of KRS 311.375 shall, for the first offense, be punishable by a fine of not less than fifty dollars nor more than three hundred dollars or by imprisonment for not more than thirty days or both, and, for each subsequent offense, by a fine of not less than three hundred dollars nor more than one thousand dollars or by imprisonment for not more than one year, or both.

(9) [(13)] Each violation of subsection (2) of KRS 311.375 shall, for the first offense, be punishable by a fine of not more than one hundred dollars or by imprisonment for not more than thirty days, or both, and for each subsequent offense, by a fine of not less than one hundred dollars nor more than two hundred and fifty dollars or by imprisonment for not more than ninety days or both.

(10) [(14)] Each day of violation of either subsection of KRS 311.375 shall constitute a separate offense.

Section 49. KRS 312.180 is repealed and re-enacted to read:

The secretary of the board shall send a written notice to every person holding a valid license to practice chiropractic within this state at least thirty days prior to the first day of March in each year, directed to the last known address of *the* [such] licensee, and shall enclose with such notice proper blank forms for application for annual license renewal. Every person failing to renew his license after the same is due (shall) automatically forfeits his license to practice in this state, but may have his license restored upon the payment of a restoration fee of ten dollars for each delinquent year or any part thereof in addition to the renewal fee of not more than ten dollars, and upon presentation of satisfactory evidence of post graduate study of a standard approved by the state board or upon a showing that he is an exception as provided for in subsections (1) and (2) of KRS 312.175.

Section 50. KRS 336.040 is amended to read:

(1) The department shall exercise all administrative functions of the state concerned with employer-employe relationships, including:

(a) Safety of workers; *and*

(b) The Workmen's Compensation Board [;].

[(c) Public Employment Offices; and]

[(d) The Director of Unemployment Compensation.]

(2) The department shall:

(a) Promote friendly and cooperative relations between employers and employes;

(b) Accumulate and publish industrial statistics and aid and encourage the development of new industries and the expansion of existing industries in Kentucky;

(c) Encourage, promote and develop fair practices both by employers and employes; discourage and eliminate as far as practicable all unfair practices by either; and enforce laws relating to unfair practices;

(d) Foster, promote and develop the welfare of both wage earner and industries in Kentucky;

(e) Improve working and living conditions of employes and advance their opportunities for profitable employment; and

(f) Inquire into the causes of accidental injuries and occupational diseases arising out of and in the course of employment, and advance measures for the prevention of [such] accidents and occupational diseases and for the improvement of sanitary conditions in places of employment.

Section 51. KRS 336.090 is amended to read:

(1) The department shall be furnished with a copy of all the laws and rulings of the State Board of Health affecting sanitary conditions in places of employment, not covered by the labor laws of the state, and shall report in writing to the state, county or city health authorities any violations coming under the observation of its inspectors while visiting places of employment in the regular performance of their duty.

(2) The inspectors shall be furnished with a copy of all the laws and rulings of the *Department of Public Safety* [Division of Insurance] relating to fire hazards in places of employment, and shall report in writing to the state, county or city authorities any violations coming under their observation while visiting places of employment in the regular performance of their duty.

Section 52. KRS 341.550 is amended to read:

(1) The division shall maintain a pooled account to which shall be credited:

(a) All worker contributions;

[(b) The emergency amounts diverted from the subject employers' contributions as provided in KRS 341.560;]

(b) [(c)] All realized earnings and gains on investments of the fund;

(c) [(d)] Except as provided in KRS 341.540, any balance remaining in the reserve account of any previously subject employer after such employer has ceased to be subject to this chapter;

(d) [(e)] Any payments into or amounts in the fund not allocable to any employer's reserve account; and

(e) [(f)] Any payments collected under subsection (2) of this section.

(2) Any benefits paid through error shall be charged against the pooled account. The repayment of benefits paid erroneously as provided in subsection (1) of KRS 341.415 shall be credited to the pooled account. The pooled account shall be credited with any sums deducted from future benefits as provided in KRS 341.415.

Section 53. KRS 376.210 is amended to read:

[(1) Any person who performs labor or furnishes materials or supplies for the construction or improvement of any canal, railroad, bridge, public highway or other public improvements in this state by contract, express or implied, with the owner thereof or by subcontract thereunder shall have a lien thereon, and upon all the property and the franchise of the owner, except property owned by the state or any county or city. If the property improved is owned by the state or by any county or city, the person furnishing labor, materials or supplies shall have a lien on the funds due the contractor from the owner of the property improved. The lien shall be for the full contract price of the labor, materials and supplies furnished, and shall be superior to all other liens thereafter created.]

(1) [(2)] Any person undertaking or expecting to furnish labor, materials or supplies as provided in *KRS 376.205* [this section] may acquire the lien [herein] provided by filing in the clerk's office of each county in which he has undertaken to furnish labor, materials or supplies, except as [hereinater] provided *in subsection (2) of this section,* a statement in writing that he has undertaken and expects to furnish labor, materials or supplies and the price at which they are to be furnished, and the lien for labor, materials or supplies furnished thereafter shall relate back and take effect from the date of the filing of the statement. In all cases of original construction *the* [such] liens shall be prior to all liens theretofore or thereafter created on the part so constructed and on no other part.

(2) [(3)] In all cases where the labor, materials or supplies are furnished for the improvement of any public highway or other public property owned by the state or by any county or city, the statement [herein provided for] shall be filed in the county clerk's office of the county in which is located the seat of government of the owner of the property improved, and the lien shall attach only to any unpaid balance due the contractor for the improvement from the time a copy of the statement, attested by the county clerk, is delivered to the owner or the owner's authorized agent with whom the contract for improving the public highway or other public property was made.

Section 54. KRS 389.055 is amended to read:

[(1) In the action mentioned in subsection (1) of KRS 389.020, neither the bond nor the privy examination provided for in this chapter shall be required.]

[(2)] If the share of a joint owner *is* [be] of less probable value than one hundred dollars, a sale of it may be ordered, though the owner of a share worth more than one hundred dollars may not consent to a sale.

Section 55. KRS 391.030 is amended to read:

(1) Where any person dies intestate as to his personal estate, or any part thereof, the surplus, after payment of funeral expenses, charges of administration and debts, shall pass and be distributed among the same persons, and in the same proportions, to whom and in which real estate is directed to descend, except as follows:

(a) The personal estate of an infant shall be distributed as if he had died after full age.

(b) An alien may be a distributee as though he were a citizen.

(c) Personal property or money on hand or in bank to the amount of $1500 shall be exempt from distribution and sale and shall be set apart by the appraisers of the estate of an intestate to his widow and infant children, or, if there is no widow, to his infant children surviving him. The widow of any deceased person may, at any time before the appraisers and the administrator of his estate are appointed, procure on petition from the judge of the county court having jurisdiction over administration of his estate, an order authorizing her to withdraw from any bank or other depository or depositories not exceeding $500 belonging to the estate of the deceased. Upon presentation of *the* [said] order, any [such] bank or depository shall permit her to withdraw *the* [said] sum and shall lodge *the* [said] order, endorsing thereon the amount withdrawn, with the clerk of *the* [said] county court, and he shall deliver it to the appraisers when they are appointed, who shall treat the same as a charge against the property of the estate exempt from distribution. A like amount of $1500 of property or cash shall be exempt from distribution and sale and shall be set apart by the appraisers to the surviving infant children of a widow who dies intestate.

(2) The appraisers shall state in their appraisement the money or the articles and value of each, set apart by them to the widow or infants, separately from the articles appraised for sale. If the widow or anyone authorized by her in writing is present at the time of the appraisement, she may make her selection out of the property appraised to the amount of *$1500* [$750] and the appraisers shall so report.

(3) This section aplies to cases where the husband dies testate and the widow renounces the provisions of the will as provided by KRS 392.080.

Section 56. KRS 393.090 is amended to read:

Except as otherwise provided in KRS 393.010, all intangible property, not otherwise covered by this *chapter* [Act], including any income or increment thereon and deducting any lawful charges, that is held or owing in this state by any person and has remained unclaimed by the owner for more than seven years after it became payable or distributable is presumed abandoned.

Section 57. KRS 413.110 is amended to read:

(1) A cause of action existing against a county by virtue of its bonded obligation for the payment of money, after the county has in good faith offered to redeem *the* [such] obligations that have matured by the payment in full of all principal and interest due, [shall] expire*s* and become*s* ineffective at the end of three years after the offer.

(2) A cause of action for payment of any warrant of the Commonwealth [shall] expire*s* and become*s* noneffective unless brought within two years after the Commonwealth has in good faith offered to redeem the warrant by payment in full of all interest and principal due. [, or within two years from June 1, 1942, whichever is the longer period.]

Section 58. KRS 418.050 is amended to read:

Any article in which [Declarations of rights and determination of questions of construction, as herein provided for, may be obtained by means of proceedings at law or in equity or by means of a petition on either the law or equity side of the court, as the nature of the case may require; and insofar as] a declaration of rights is the relief asked, [the case] may be docketed for early hearing as in the case of a motion.

Section 59. KRS 421.210 is amended to read:

(1) In all actions between husband and wife, or between either or both of them and another, either or both of them may testify as other witnesses, except as to confidential communications between them during marriage, provided, however, that in an action for absolute divorce or divorce from bed and board, either or both of them may testify concerning any matter involved in the action, including questions of property, and provided further, that neither may be compelled to testify for or against the other.

(2) Subject to the provisions of subsection (7) of this section, no person shall testify for himself concerning any verbal statement

of, or any transaction with, or any act done or omitted to be done by an infant under fourteen years of age, or by one who is of unsound mind or dead when the testimony is offered to be given except for the purpose, and to the extent, of affecting one who is living, and who, when over fourteen years of age and of sound mind, heard such statement, or was present when such transaction took place, or when such act was done or omitted, and except in actions for personal injury, death or damage to property by negligence or tortious acts, unless:

(a) The infant or his guardian *has* [shall have] testified against such person, with reference to such statement, transaction or act; or

(b) The person of unsound mind [shall], when of sound mind, *has* [have] testified against such person, with reference thereto; or

(c) The decedent, or a representative of, or someone interested in, his estate, *has* [shall have] testified against such person, with reference thereto; or

(d) An agent of the decedent or person of unsound mind, with reference to such act or transaction, *has* [shall have] testified against such person, with reference thereto, or be living when such person offers to testify, with reference thereto.

(3) No person shall testify for himself, in chief, [in an ordinary action,] after introducing *or taking* other testimony for himself, in chief. [; nor in an equitable action, after taking other testimony for himself, in chief.]

(4) No attorney shall testify concerning a communication made to him, in his professional character, by his client, or his advice thereon, without the client's consent; nor shall a clergyman or priest testify concerning any confession made to him, in his professional character, in the course of discipline enjoined by the church to which he belongs, without the consent of the person confessing.

(5) If the right of a person to testify for himself *is* [be] founded upon the fact that one who is dead or of unsound mind has testified against him, the testimony of *the* [such] person shall be confined to the facts or transactions to which the adverse testimony related.

(6) A person may testify for himself as to the correctness or original entries made by him against persons who are under no disability—other than infancy—in an accounting, according to the usual course of business though the person against whom they were made may have died or have become of unsound mind; but no person shall testify for himself concerning entries in a book, or the contents or purport of any writing, under the control of himself, or of himself and others jointly, if he refuses or fails to produce *the* [such] book or writing, and to make it subject to the order of the court for the

purposes of the action, if required to do so by the party against whom he offers to testify.

(7) The assignment of a claim by a person who is incompetent to testify for himself *does* [shall] not make him competent to testify for another.

(8) A party may be examined as if under cross-examination at the instance of the adverse party, either orally or by deposition as any other witness; but the party called for such examination shall not be concluded thereby, but may rebut it by counter testimony.

(9) None of the preceding provisions of this section apply to affidavits for provisional remedies, or to affidavits of claimants against the estates of deceased or insolvent persons, or affect the competency of attesting witnesses of instruments which are required by law to be attested.

Section 60. KRS 433.750 is repealed and re-enacted to read:

Any person who picks, pulls, digs, tears up, cuts, breaks, burns or otherwise damages any tree, shrub, flower, vine, brush or turf on the right of way of any state highway or county road or upon any land set aside, dedicated or maintained by this state as a public park or as a refuge or sanctuary for wild animals, birds or fish, or deposits, throws or leaves any trash, debris or litter upon such public highway or public land, without having first obtained permission in writing of the engineer having charge of the maintenance of the highway, or the superintendent or custodian of the park, refuge or sanctuary shall be fined not less than twenty-five dollars or more than three hundred dollars.

Section 61. KRS 441.180 is amended to read:

[Except as provided in KRS 150.990,] *P*risoners placed at hard labor shall be permitted to satisfy their fines and costs at the rate of two dollars per day; they shall not be required to labor more than eight hours a day, and may at any time pay or replevy the fine and costs, or whatever part thereof remains unpaid after receiving credit of two dollars for each day worked in payment thereof. Managers shall keep the time of prisoners and release them when their time expires, except that any prisoner who pays the fine and costs not worked out shall be released from custody upon order of the court that committed him.

Section 62. KRS 446.010 is amended to read:

As used in the statute laws of this state, unless the context requires otherwise:

(1) "Action" includes all proceedings in any court of this state;

(2) "Attorney" means attorney at law;

(3) "Bequeath" and "devise" mean the same thing;

(4) "Bequest" and "legacy" mean the same thing, and embrace either real or personal estate, or both;

(5) "Cattle" includes horse, mule, ass, cow, ox, sheep, hog or goat of any age or sex;

(6) "Company" may extend and be applied to any corporation, company, person, partnership, joint stock company or association;

(7) "Corporation" may extend and be applied to any corporation, company, partnership, joint stock company or association;

(8) "Directors," when applied to corporations, includes managers or trustees;

(9) "Domestic," when applied to corporation, means all those incorporated or formed by authority of this state;

(10) "Federal" refers to the United States;

(11) "Foreign," when applied to corporations, includes all those incorporated or formed by authority of any other state;

(12) "Issue," as applied to the descent of real estate, includes all the lawful lineal descendants of the ancestor;

(13) "Land" or "real estate" includes lands, tenements and hereditaments and all rights thereto and interest therein, other than a chattel interest;

(14) "Legatee" and "devisee" convey the same idea;

(15) "Magistrate" includes county judge, police judge and justice of the peace;

(16) "May" is permissive;

(17) "Month" means calendar month;

(18) "Oath" includes "affirmation" in all cases in which an affirmation may be substituted for an oath;

(19) "Peace officer" includes sheriffs, constables, coroners, jailers, marshals, policemen and other persons with similar authority to make arrests;

(20) "Penitentiary" includes all of the state penal institutions except the houses of reform;

(21) "Person" may extend and be applied to bodies-politic and corporate, societies, communities, the public generally, individuals, partnerships and joint stock companies;

(22) "Personal estate" includes chattels, real and other estate that passes to the personal representative upon the owner dying intestate;

(23) "Regular election" means the election in even numbered years at which members of Congress are elected and the election in odd numbered years at which state officers are elected.

(24) [(23)] "Shall" is mandatory;

(25) [(24)] "State" when applied to a part of the United States, includes territories, outlying possessions and the District of Columbia; "any other state" includes any state, territory, outlying possession, the District of Columbia, and any foreign government or country;

(26) [(25)] "Sworn" includes "affirmed" in all cases in which an affirmation may be substituted for an oath;

(27) [(26)] "United States" includes territories, outlying possessions and the District of Columbia;

(28) [(27)] "Vacancy in office," or any equivalent phrase, means such as exists when there is an unexpired part of a term of office without a lawful incumbent therein, or when the person elected or appointed to an office fails to qualify according to law, or when there has been no election to fill the office at the time appointed by law; it applies whether the vacancy is occasioned by death, resignation, removal from the state, county or district, or otherwise;

(29) [(28)] "Violate" includes failure to comply with;

(30) [(29)] "Will" includes codicils; "last will" means last will and testament;

(31) [(30)] "Year" means calendar year; and

(32) [(31)] "City" includes town.

Section 63. KRS 446.140 is amended to read:

Title heads, chapter heads, *section captions,* [sections and] subsection heads or titles, and explanatory notes and cross references, in the Kentucky Revised Statutes, do not constitute any part of the law, except as provided in KRS 355.1-109.

Section 64. KRS 447.025 is amended to read:

(1) All statute laws of the Commonwealth of a general and public nature enacted prior to the 1942 Regular Session of the General Assembly, except the Codes of Practice and such statute laws as *were* [are] continued in force by express provision in the body of sections of the Kentucky Revised Statutes, *were repealed effective October 1, 1942.* [are hereby repealed.]

(2) The Civil Code of Practice, except for such sections as were transferred to the Kentucky Revised Statutes, was repealed effective July 1, 1953.

(3) The Criminal Code of Practice was repealed effective January 1, 1963.

Section 65. In order to represent accurately the text of statute sections heretofore impliedly amended by redesignations of officers and agencies and by transfers of functions, the Reviser of Statutes may in subsequent editions of Kentucky Revised Statutes, except where the context requires otherwise or as otherwise provided by specific amendment in this Act, makes the following substitutions;

(1) For words designating the former Legislative Council, other words designating the Legislative Research Commission.

(2) For words designating the former State Board of Election Commissioners and the former State Board of Registration and Purgation, other words designating the State Board of Elections.

(3) For words designating the former Chief of the Department of Mines and Minerals, other words designating the Commissioner of the Department of Mines and Minerals.

(4) For words designating the former Division of Personnel in the Department of Finance, other words designating the Department of Personnel; and for words designating the former Director of Personnel, other words designating the Commissioner of Personnel.

(5) For words designating the former Division of Game and Fish, other words designating the Department of Fish and Wildlife Resources; for words designating the former Game and Fish Commission, other words designating the Fish and Wildlife Resources Commission; and for words designating the former Director of the Division of Game and Fish, other words designating the Commissioner of the Department of Fish and Wildlife Resources.

(6) For words designating the former Division of Motor Transportation, other words designating the Department of Motor Transportation; and for words designating the former Director of the Division of Motor Transportation, other words designating the Commissioner of the Department of Motor Transportation.

Section 66. KRS 187.490 is amended to read:

(1) A "motor vehicle liability policy" as said term is used in KRS 187.290 to 187.620 shall mean an owner's or an operator's policy of liability insurance, certified as provided in KRS 187.470 or 187.480 as proof of financial responsibility, and issued, except as otherwise provided in KRS 187.480, by an insurance carrier duly authorized to transact business in this state, to or for the benefit of the person named therein as insured.

(2) Such owner's policy of liability insurance:

(a) Shall designate by explicit description or by appropriate reference all motor vehicles with respect to which coverage is thereby to be granted; and

(b) Shall insure the person named therein and any other person, as insured, using any such motor vehicle or motor vehicles with the express or implied permission of such named insured, against loss from the liability imposed by law for damages arising out of the ownership, maintenance or use of such motor vehicle or motor vehicles within the United States of America or the Dominion of Canada, subject to limits exclusive of interest and costs, with respect to each such motor vehicle, as follows: *Ten* [five] thousand dollars because of bodily injury to or death of one person in any one accident and, subject to said limit for one person, *twenty* [ten] thousand dollars because of bodily injury to or death of two or more persons in any one accident, and *five* [one] thousand dollars because of injury to or destruction of property of others in any one accident.

(3) Such operator's policy of liability insurance shall insure the person named as insured therein against loss from the liability imposed upon him by law for damages arising out of the use by him of any motor vehicle not owned by him within the same territorial limits and subject to the same limits of liability as are set forth above with respect to an owner's policy of liability insurance.

(4) Such motor vehicle liability policy shall state the name and address of the named insured, the coverage afforded by the policy; the premium charged therefor, the policy period and the limits of liability, and shall contain an agreement or be endorsed that insurance is provided thereunder in accordance with the coverage defined in KRS 187.290 to 187.620 as respects bodily injury and death or property damage, or both, and is subject to all the provisions of KRS 187.290 to 187.620.

(5) Such motor vehicle liability policy shall not insure any liability under any workmen's compensation law nor any liability on account of bodily injury to or death of an employe of the insured while engaged in the employment, other than domestic, of the insured, or while engaged in the operation, maintenance or repair of any such motor vehicle nor any liability for damage to property owned by, rented to, in charge of or transported by the insured.

(6) Every motor vehicle liability policy shall be subject to the following provisions which need not be contained therein:

(a) The liability of the insurance carrier with respect to the insurance required by KRS 187.290 to 187.620 shall become absolute whenever injury or damage covered by said motor vehicle liability policy occurs; said policy may not be cancelled or annulled as to such liability by any agreement between the insurance carrier and the insured after the occurrence of the injury or damage; no statement made by the insured or on his behalf and no violation of said policy shall defeat or void said policy.

(b) The satisfaction by the insured of a judgment for such injury or damage shall not be a condition precedent to the right or duty of the insurance carrier to make payment on account of such injury or damage.

(c) The insurance carrier shall have the right to settle any claim covered by the policy, and if such settlement is made in good faith, the amount thereof shall be deductible from the limits of liability specified in paragraph (b) of subsection (2) of this section.

(d) The policy, the written application therefor, if any, and any rider or endorsement which does not conflict with the provisions of KRS 187.290 to 187.620 shall constitute the entire contract between the parties.

(7) Any policy which grants the coverage required for a motor vehicle liability policy may also grant any lawful coverage in excess of or in addition to the coverage specified for a motor vehicle liability policy and such excess or additional coverage shall not be subject to the provisions of KRS 187.290 to 187.620. With respect to a policy which grants such excess or additional coverage the term "motor vehicle liability policy" shall apply only to that part of the coverage which is required by this section.

(8) Any motor vehicle liability policy may provide that the insured shall reimburse the insurance carrier for any payment the insurance carrier would not have been obligated to make under the terms of the policy except for the provisions of KRS 187.290 to 187.620.

(9) Any motor vehicle liability policy may provide for the prorating of the insurance thereunder with other valid and collectible insurance.

(10) The requirements for a motor vehicle liability policy may be fulfilled by the policies of one or more insurance carriers which policies together meet such requirements.

(11) Any binder issued pending the issuance of a motor vehicle liability policy shall be deemed to fulfill the requirements for such a policy.

Section 67. KRS 187.530 is amended to read:

(1) Proof of financial responsibility may be evidenced by the certificate of the State Treasurer that the person named therein has deposited with him *twenty-five* [eleven] thousand dollars in cash, or securities such as may legally be purchased by savings banks or for trust funds of a market value of *twenty-five* [eleven] thousand dollars. The State Treasurer shall not accept any such deposit and issue a certificate therefor and the department shall not accept such certificate unless accompanied by evidence that there are no unsatisfied judgments of any character against the depositor in the county where the depositor resides.

(2) Such deposit shall be held by the State Treasurer to satisfy, in accordance with the provisions of KRS 187.290 to 187.620, any execution on a judgment issued against such person making the deposit, for damages, including damages for care and loss of services, because of bodily injury to or death of any person, or for damages because of injury to or destruction of property, including the loss of use thereof, resulting from the ownership, maintenance, use or operation of a motor vehicle after such deposit was made. Money or securities so deposited shall not be subject to attachment or execution unless such attachment or execution shall arise out of a suit for damages as aforesaid.

Section 68. If any section or part of a section of Kentucky Revised Statutes which is amended or repealed by this Act is also amended by one or more other Acts of the regular session of the 1964 General Assembly, and any conflict results from such amendatory Acts, the provisions of the more revisory Act shall prevail but the section as amended by both this Act and the other Acts shall be incorporated in the Kentucky Revised Statutes edition if all such amendments can be inserted without making the section unintelligible.

ARTICLE XXI

Section 1. In the event that any Act passed during the 1964 Regular Session of the General Assembly:

(1) Amends, or repeals and re-enacts, a statute section also amended, or repealed and re-enacted, by this Act, then effect shall be given to both Acts insofar as there is no conflict in substance. In the event of a conflict in substance, the provisions of the other Act prevail to the extent of such conflict.

(2) Amends, or repeals and re-enacts, a statute section repealed by this Act, then such repeal in this Act has no effect.

(3) Repeals a statute section amended, or repealed and re-enacted, by this Act, then such repeal in the other Act prevails.

Section 2. All rights, obligations and liabilities vested or imposed under or by the statutes repealed by this Act are preserved.

Section 3. The following statutes are repealed: KRS 2.160, 2.170, 2.180, 2.991, 36.060, 44.170, 67.065, 78.010 to 78.140, 78.150 to 78.390, 80.255, 80.730 to 80.842, 90.240, 97.415, 97.445, 100.098, 116.015, 117.755, 150.026, 151.010, 160.610, 160.620, 160.630, 175.005 to 175.320, 181.060 to 181.290, 186.015, 186.175, 186.275 to 186.285, 189.012, 205.090 to 205.150, 205.620, 210.250, 230.150, 230.160, 230.170, 258.315, 318.056, 324.280, 339.460, 342.002, 342.006 to 342.009, 350.026, 351.021, 381.445, 395.090, 411.160, 427.126; 1946, c. 42; 1946, c. 90, § 1; 1948, c. 118; 1948, c. 180, § 1; 1950, c. 13; 1950, c. 181; 1954, c.

86; 1956, c. 113, c. 1962, c. 210, §§ 28 to 39; 1963 1st ex. s.,c. 2, § 2 and c. 3, § 2.

Section 4. Notwithstanding Section 3 of this Article, KRS 157.018 and 177.930 are repealed effective July 1, 1964.

Section 5. Nothing in this Act is intended to make any substantive change in the statute law of Kentucky and if any such substantive change appears to be effected it shall be disregarded and the law as it existed prior to the effective date of this Act is hereby declared to be in full force and effect.

Said Committee Amendment to **SB 50** is as follows:
Amend printed copy of Senate Bill 50 on page 242, line 7, by:
substituting "115" for "183"
on page 242 line 24, by substituting "116" for "184"
on page 243 line 6, by substituting "117" for "184a"
on page 244 line 28, by substituting "118" for "185"
on page 247 line 5, by substituting "119" for "186"
on page 248 line 3, by substituting "120" for "187"
on page 250 line 14, by substituting "122" for "189"
on page 251 line 18, by substituting "123" for "190"
on page 252 line 10, by substituting "124" for "191"
on page 253 line 4, by substituting "125" for "192"
on page 254 line 8, by substituting "126" for "193"
on page 255 line 15, by substituting "127" for "194"
on page 256 line 12, by substituting "128" for "195"
on page 257 line 13, by substituting "129" for "196"
on page 258 line 15, by substituting "130" for "197"
on page 260 line 3, by substituting "131" for "198"
on page 262 line 8, by substituting "132" for "199"
on page 264 line 12, by substituting "133" for "200"
on page 265 line 11, by substituting "134" for "201"
on page 267 line 28, by substituting "135" for "202"
on page 270 line 6, by substituting "136" for "203"
on page 272 line 2, by substituting "137" for "204"
on page 273 line 2, by substituting "138" for "205"
on page 274 line 5, by substituting "139" for "206"
on page 274 line 26, by substituting "140" for "207"
on page 276 line 9, by substituting "141" for "208"
on page 277 line 1, by substituting "142" for "209"
on page 281 line 7, by substituting "143" for "210"
on page 282 line 6, by substituting "144" for "211"
on page 283 line 6, by substituting "145" for "212"
on page 285 line 12, by substituting "147" for "115"
on page 287 line 2, by substituting "148" for "116"
on page 288 line 4, by substituting "149" for "117"
on page 288 line 13, by substituting "150" for "118"

on page 289 line 8, by substituting "151" for "119"
on page 289 line 19, by substituting "152" for "120"
on page 291 line 14, by substituting "153" for "121"
on page 292 line 6, by substituting "154" for "122"
on page 292 line 20 by substituting "155" for "123"
on page 294 line 1, by substituting "156" for "124"
on page 296 line 3, by substituting "157" for "125"
on page 296 line 16, by substituting "158" for "126"
on page 297 line 8, by substituting "159" for "127"
on page 298 line 13, by substituting "160" for "128"
on page 298 line 26, by substituting "161" for "129"
on page 302 line 3, by substituting "162" for "130"
on page 303 line 8, by substituting "163" for "131"
on page 303 line 24, by substituting "164" for "132"
on page 305 line 8, by substituting "165" for "133"
on page 306 line 17, by substituting "166" for "134"
on page 307 line 4, by substituting "167" for "135"
on page 307 line 13, by substituting "168" for "136"
on page 307 line 21, by substituting "169" for "137"
on page 307 line 28, by substituting "170" for "138"
on page 309 line 23, by substituting "171" for "139"
on page 310 line 18, by substituting "172" for "140"
on page 312 line 11, by substituting "173" for "141"
on page 313 line 1, by substituting "174" for "142"
on page 313 line 17, by substituting "175" for "143"
on page 315 line 7, by substituting "176" for "162"
on page 316 line 7, by substituting "177" for "163"
on page 316 line 26, by substituting "178" for "164"
on page 317 line 10, by substituting "179" for "165"
on page 317 line 22, by substituting "180" for "167"
on page 319 line 10, by substituting "181" for "168"
on page 320 line 3, by substituting "182" for "169"
on page 321 line 27, by substituting "183" for "170"
on page 322 line 20, by substituting "184" for "171"
on page 323 line 27, by substituting "185" for "172"
on page 324 line 26, by substituting "186" for "173"
on page 325 line 10, by substituting "187" for "174"
on page 326 line 9, by substituting "188" for "175"
on page 327 line 24, by substituting "189" for "176"
on page 328 line 7, by substituting "190" for "177"
on page 328 line 27, by substituting "191" for "178"
on page 329 line 26, by substituting "192" for "179"
on page 330 line 9, by substituting "193" for "180"
on page 330 line 20, by substituting "194" for "181"
on page 330 line 27, by substituting "195" for "182"
on page 333 line 23, by substituting "196" for "144"
on page 334 line 27, by substituting "197" for "145"

on page 335 line 25, by substituting "198" for "146"
on page 338 line 9, by substituting "199" for "147"
on page 339 line 6, by substituting "200" for "148"
on page 339 line 15, by substituting "201" for "149"
on page 340 line 5, by substituting "202" for "150"
on page 340 line 26, by substituting "203" for "151"
on page 343 line 3, by substituting "204" for "152"
on page 344 line 20, by substituting "205" for "153"
on page 345 line 5, by substituting "206" for "154"
on page 346 line 12, by substituting "207" for "155"
on page 350 line 3, by substituting "208" for "156"
on page 350 line 23, by substituting "209" for "157"
on page 352 line 3, by substituting "210" for "158"
on page 352 line 21, by substituting "211" for "159"
on page 354 line 22, by substituting "212" for "160"
on page 355 line 11, by substituting "213" for "161"
substituting "365.370" for "369.370"
on page 140, line 3, by substituting "80.580" for "50.580"
on page 196, line 10, by substituting "94.292" for "292"
on page 249, line 14, by striking in said line the words and figures "188. KRS 267.010" and inserting in lieu thereof the following: "121. KRS 262.010"
on page 284, line 15, by striking out the words and figures "213. KRS 280.630" and inserting in lieu thereof "146. KRS 287.630"
on page 372, line 4, by substituting "381.730" for "381.750"
on page 314, line 28, by striking out said line and inserting in lieu thereof the following:

"(b) A complete statement of all expenditures of his office, including his salary, compensation of deputies and assistants, and reasonable expenses.

"(6) There shall be deducted from the total of such expenses the total funds received by the sheriff's office, exclusive of commissions for collecting taxes. From the balance, if any, of such expenses, shall be deducted the commissions allowed for collecting state and county taxes as prescribed by subsections (1) and (2) of KRS 134.290. The balance, if any, of the expenses shall be paid to the sheriff from the commissions allowed to him for the collection of school taxes, but in no event shall the amount of such commissions exceed four percent of the total amount of school taxes collected by him. The amount paid the sheriff for collecting school taxes shall be prorated among the school districts in the county in the proportion that the amount of school taxes collected from each district bears to the total school taxes collected."
on page 315, lines 1 to 6, by striking all of said lines
on page 355, line 22, by inserting after said line the following:

"[(3) The notice or advertising shall be published in a news-

paper of general circulation, or, if there is no newspaper published in the county, by handbills poster for fifteen days, one at the courthouse door and one in five or more public places in the vicinity of the road affected. The county road engineer shall file an affidavit with the county clerk showing the method used in giving notice or in advertising.]"
on page 333, lines 6 to 22, by striking out all of said lines.
on page 18, line 6 by striking out the words "exercised by" and inserting in lieu thereof the words *"exercised by"*
on page 41, lines 23 to 28 and on page 42 lines 1 to 26, by striking out all of said lines
on page 44, line 20 by striking out the figures and word "439.115 to 439.165" and inserting in lieu thereof the figures *"439.340"* L
on page 91, line 2, by striking out the words and figures "Section 11" and inserting in lieu thereof the following "1962, Section 11, Article I,"
on page 234, lines 27 and 28 by striking out the words "of the time and place"
on page 236, line 3, by striking out the words "of the time and place"
on page 305, lines 18 to 20, by striking out said lines and inserting in lieu thereof the following:

"published pursuant to KRS 424, except that one publication shall be made [The publication shall be made so that the last publication will be] at least ninety days preceding the election at which the amendment is to be voted on."

on page 309, line 7, by striking out the words *"to be published"*

on page 317, line 12, by striking out the bracket at the beginning of said line

on page 413, lines 12 to 28 and on page 414 lines 1 to 21 by striking out all of said lines

on page 416, lines 22 to 28, and on page 417 lines 1 to 22 by striking out all of said lines

on page 446, by inserting at the end of said bill the following:

"Section 5. Nothing in this Act is intended to make any substantive change in the statute law of Kentucky and if any such substantive change appears to be effected it shall be disregarded and the law as it existed prior to the effective date of this Act is hereby declared to be in full force and effect."

Committee on Suffrage, Elections and Constitutional Amendments reported **SB 43, HB 42** with the expression of opinion that the same should not pass.

Committee on Suffrage, Elections and Constitutional Amendments reported **SB 88, SB 181,** with committee amendment, **SB 110, HB 107, HB 106, SR 13,** with committee amendment, **HB 198, HB 124** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 88, AN ACT relating to discrimination in employment.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. (1) No employe of, or applicant for employment with the state government or any of its political subdivisions shall be discriminated against in matters of employment because of maturity of years except where the requirements of employment make age limits mandatory.

(2) No person engaged in any works or projects of any kind under contract with the state government or any political subdivision thereof shall discriminate against any employe or applicant for employment because of maturity of years except where the requirements of employment make age limits mandatory.

SB 181, AN ACT relating to the State Board of Elections.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 116.010 is amended to read:

There shall be a State Board of Elections consisting of the Secretary of State *as Chairman, without vote except in case of a tie, and four members* [and two Commissioners] appointed by the Governor. [, in the month of April each year, for a term of one year and until their successors are appointed and qualified.] *The Attorney General or his designee shall be present at all meetings and shall act as a legal adviser to the board. Not more than two of the appointive members of the board may belong to the same political party. Names shall be submitted to the Governor in writing by the state central committees of the two major political parties in the state, and one member each from the respective parties shall be appointed from the lists submitted. Two members shall be chosen from lists submitted by such groups as the Governor may from time to time designate. The members shall be appointed for a term of four years, not later than in April succeeding the Governor's inauguration, and shall be at least twenty-five years of age and shall be qualified electors of this state.* [The appointed Commissioners shall be at least twenty-five years of age and shall be qualified electors of this state. One commissioner shall be appointed from each of the two political parties that polled the largest vote in the last preceding election for state officials or presidential electors. If names are designed to the Governor in writing by the state central committees of the parties, the appointments shall be made from those names.] The *members* [commissioners] shall qualify by taking, before the Secretary of State, an oath faithfully to perform their duties according to law. The Secretary of State shall make a certificate of the qualifications, which shall be noted upon the record of the proceedings of *the board and preserved among its records. Vacancies shall be filled* by appointment by the Governor in the same manner as provided for original appointments, and the person appointed to fill the vacancy shall be of the same political party as his predecessor.

Section 2. KRS 116.020 is amended to read:

(1) The State Board of Elections [Commissioners] shall appoint *an executive* [a] secretary. [, to hold office at the pleasure of the board.] *The Secretary of State and the State Board of Elections are authorized to delegate and prescribe the administrative duties of the executive secretary and the board shall fix his compensation. The members shall be paid twenty-five dollars per day while in session.* [The board shall prescribe the duties of the secretary and fix his compensation at not more than two-hundred and fifty dollars per annum. The board shall keep a record of its acts, orders, findings and proceedings. The members of the board shall each be paid five dollars per day while in session, but no member shall be paid more than one hundred dollars in any year.] The board shall procure the books, material and postage necessary to enable it to perform its duties. The compensation and expenses of the board shall be paid on certification of the vouchers by the chairman of the board.

(2) The executive secretary of the State Board of Elections shall be a member of the classified services notwithstanding the provisions of KRS 18.140.

(3) Such clerical help as is deemed necessary by the executive secretary of the board shall be employed to assist him in performing his duties.

Section 3. It shall be the duty of the State Board of Elections:

(1) To appoint two commissioners to the county board of elections as provided in KRS 116.040.

(2) To furnish to the county boards of elections such registration and poll books, cards, blanks, instructions and forms as may be necessary for the registration of voters and holding elections in the respective counties.

(3) To determine the form of ballots, the forms of all blanks, instructions, poll books, tally sheets, abstract and return forms, and certificates of elections to be used in primaries and general elections.

(4) To instruct the county boards of elections as to the printing of county and local ballots, the content and interpretation of election law and election procedures generally.

(5) To certify to the county court clerk of each county the names of such candidates for district offices who are required to file

notice of candidacy with the Secretary of State, but whose names appear on the county ballots.

(6) To keep a minute book showing a record of all proceedings and findings at each meeting of the State Board of Elections, which book shall be kept in the office of the State Board.

(7) To issue certificates of election where the successful candidate was voted for by the state at large or by a district greater than one county as provided in KRS 118.420.

(8) To publish and distribute election statistics for all elections held in the state. The statistics must be certified by the county clerk.

(9) To prepare, when the board deems necessary, but at least once during each two year period, publish and distribute explanatory pamphlets to election officials and the electorate and advise the electorate by any means of communication.

(10) To act as a clearing house for coordinating and distributing election information.

(11) To review the election laws on a continuing basis and report to each regular session of the General Assembly recommendations for the improvement of election laws and administration.

(12) To prepare and distribute indexed copies of the election laws to all county election officials.

(13) To prepare and distribute pamphlets explaining the election laws to all precinct workers.

Section 4. In performance of these enumerated duties, the chairman of the State Board of Elections shall have the power to administer oaths, issue subpoenas, summon witnesses, compel the production of books, papers and other evidence, and fix a time and place for hearings on irregularities in the administration of law. These hearings shall be held in the county in which the irregularity occurred.

Section 5. KRS 118.150 is amended to read:

(1) Immediately after the expiration of the period prescribed in subsections (2) and (3) of KRS 118.130 in which certificates and petitions of nomination may be filed with the Secretary of State, the *State Board of Elections* [Secretary of State] shall certify, to the county clerks of the various counties that are entitled to participate in the election of the respective candidates, the name and place of residence of each candidate for each office, as specified in the certificates and petitions of nomination filed with him, and shall designate the device under which the candidate or group or list of candidates of each party shall be printed, in the order in which they shall be arranged on the ballot. In the case of candidates for election as electors of President and Vice President of the United States, the *State Board of Elections*

[Secretary of State] shall certify to the county clerks of the various counties the names of the candidates for President and Vice President of the United States, of the political parties and organizations that have filed certificates of nomination of electors as provided in KRS 118.070 and 118.090. This certification shall be in lieu of certifying the names of the candidates for electors.

(2) The *State Board of Elections* [Secretary of State] shall not knowingly certify to the county clerk of any county, to be printed on the ballots for any regular election, the name of any candidate of a political party, as defined in KRS 119.010, who has not been nominated in the manner provided in the primary election laws.

Section 6. KRS 118.450 is amended to read:

[(1) The printing and delivery of ballots and cards of instruction to voters shall in city elections, be paid for by the city. In all other elections, the printing of the ballots and cards of instruction for the voters in each county, and the delivery of them to the several voting precincts, shall be paid for by the county.]

(1) [(2)] The cost of all elections held in any county shall be allowed by the fiscal court and paid by the county treasurer except as otherwise provided by law.

(2) [(3)] When the cost of any election has been allowed by the fiscal court and paid by the county treasurer, as provided in this section or in any other section requiring the county to pay the cost of an election, the county treasurer shall certify the amount of such expenses, indicating each item of expense separately, together with a statement of the number of precincts in the county, the date and kind of election to the Department of Finance. Upon receipt of such certification and upon being satisfied as to the correctness thereof, the Department of Finance shall issue its warrant upon the State Treasurer in favor of the county treasurer for one half of the amount of such expenses but not exceeding in any event an amount equal to twenty dollars for each precinct in the county. All sums paid under this section shall be in addition to any sum paid by the state for ballot paper in elections.

(3) [(4)] Each county shall acquire voting machines meeting the specifications of KRS 125.040 for each precinct in which such machines are not already in use, no later than the primary election in 1963; provided, however, that (a) counties containing a population of 21,000 or more shall acquire voting machines for each precinct therein prior to the primary election in 1961; (b) counties containing a population of over 13,000 and less than 21,000 shall acquire voting machines for each precinct therein prior to the primary election in 1962; and (c) counties containing a population of 13,000 or less shall acquire voting machines for each precinct therein prior to the primary

election in 1963; provided, however, that nothing contained herein shall be construed to prevent a county from acquiring voting machines prior to the general election in November, 1960.

(4) [(5)] In all counties where voting machines are used, the cost of elections shall be certified by the county treasurer to the Department of Finance in the same manner as set out in subsection *(2)* [(3)] of this section, except that for each precinct where voting machines are used and so certified, the sum of fifty dollars shall be allowed to the county.

(5) [(6)] Any county failing to acquire voting machines in some manner prior to the time herein required shall thereafter be prohibited from receiving any of the payments provided for in subsections *(2)* [(3)] and *(4)* [(5)] of this section until such machines have been acquired.

(6) [(7)] Payments to any county under the provisions of subsections *(2)* [(3)] and *(4)* [(5)] of this section shall be terminated if and whenever it shall fail to renew a lease, contract, or lease and option with the State Property and Buildings Commission executed in connection with the acquisition of voting machines by such commission for the use of such county; and such payments to any county shall be terminated whenever such county shall fail to pay any part of the rentals required for any effective period of such lease.

Section 7. KRS 119.130 is amended to read:

(1) Not less than forty-five days before the primary election is to be held, and after the order of the names has been determined as provided in KRS 119.140, the *State Board of Elections* [Secretary of State] shall certify, to the county clerks of the respective counties entitled to participate in the nomination of the respective candidates, the name, place of residence and party of each candidate for each office, as specified in the nomination papers filed with him, and shall designate the device under which the candidate groups or lists of candidates of each party shall be printed, in the order in which they are to appear on the ballot.

(2) The *State Board of Elections* [Secretary of State] shall not knowingly certify to the county clerk of any county the name of any candidate who has not filed the required nomination papers, nor knowingly fail to certify the name of any candidate who has filed the required nomination papers.

Section 8. To carry out the purposes of this Act, there is appropriated to the State Board of Elections out of the General Expenditure Fund in the State Treasury the sum of thirty-five thousand dollars for the ------------ fiscal year.

Section 9. KRS 117.770 is repealed.

Said Committee Amendment to **SB 181** is as follows:

Amend printed copy of Senate Bill 181 on page 9, by deleting lines 2, 3, 4, and 5 in their entirety.

on page 9, line 6, by deleting the figure "9" and inserting in lieu thereof the figure "8".

SB 110, AN ACT relating to absentee voting.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 126.140 is amended to read:

As used in this chapter, unless the context otherwise requires:

(1) "Absent voter" means any qualified voter *who is or will be confined in a hospital or nursing home due to illness* [in the United States services, or bona fide, full time student in residence at an educational institution,] *or any qualified voter* who *will* [expects to] be *unavoidably* absent from the county in which is situated his voting precinct on the day of [holding] an election.

(2) "Election" means any regular election, primary election or special election, for any federal, state, district, county or city office, including school district offices, and any election upon a public question.

[(3) "Mail" means the delivery to a mail carrier or the deposit in a letter box or post office of a letter, with postage prepaid.

(4) "United States services" means:

(a) Members of the armed forces while in the active service, and their spouses and dependents residing with them.

(b) Members of the merchant marine of the United States, and their spouses and dependents residing with them.

(c) Civilian employes of the United States in all categories and their spouses and dependents when residing with or accompanying them, whether or not the employe is subject to the civil service laws and the Classification Act of 1949, and whether or not paid from funds appropriated by the Congress.

(d) Members of religious groups or welfare agencies assisting members of the armed forces, who are officially attached to and serving with the armed forces and their spouses and dependents residing with them.]

Section 2. KRS 126.150 is amended to read:

(1) Any absent voter may, at any time not less than twenty days before an election, make an application in writing and by mail, on the form prescribed in KRS 126.160 or on Form 76 issued under 5

USCA 2184, to the clerk of the county court of the county of his residence, for an absent voter's ballot.

(2) Applications for absent voter's ballots shall be distributed only by the county clerk. The clerk shall issue an application for the absent voter's ballots only to the applicant upon his request and no absent voter shall receive more than one application.

(3) Absent voters confined to hospitals or nursing homes shall submit, in addition to the application required in subsection (1), an affidavit executed by a doctor stating that the applicant is ill and confined but of sound mind and capable of choosing a candidate.

Section 3. KRS 126.160 is amended to read:

Applications for absent voter's ballots shall be signed and sworn to by the absent voter before anyone authorized by law to administer an oath, provided neither the officer nor his deputy is a candidate to be voted for at the election. Except as provided in KRS 126.150, the application shall be substantially in the following form:

County Court Clerk of ---------- County, ----------, Kentucky.

I, ------------------, state that I am a resident of the State of Kentucky and have been such for at least one year prior to the date hereof. I am a resident of ------------ County and have been such for more than six months prior to said date and expect to be *unavoidably* absent therefrom for the reason [checked and] explained below:

(Here set out reason for being absent)

[☐ United States Service ------------------------------------
(Specify branch)

☐ Spouse of member of United States Service ----------------

(Specify branch)

☐ Dependent of member of United States Service------------

(Specify branch and kinship)

☐ Full-time resident student --------------------------------
(Specify school)

☐ Member, spouse or dependent of religious or welfare agency

(Specify armed service and agency)]

at the election to be held on the ------ day of ------------, 19----, and will not vote elsewhere at said election, and am a resident of -------- precinct of said county (or ----ward of the city of --------, county of____________), and have been such for at least sixty days prior to said date; that I reside at ____________, (house number and street address, if in city, or county road and nearest neighbor, if in county) that I will be at least eighteen years of age by the date of the next election, and that I am a duly qualified voter of said precinct (or said ward), and I am affiliated with the ____________ political party; I request that an official ballot be mailed to me at the following address:

____

(Name and address)

____

(Rank and Unit if member of Armed Forces)

____

(Department of United States Government if an employe or the wife or dependent of such employe)

____

(Voter must sign here, and oath must be administered and attested.)

Subscribed and sworn to before me this ______ day of ________________, 19____.

____

(Name and official title)

Section 4. All applicants for absent voter's ballots, except those specifically excluded in subsection (2) below, shall file with their application an affidavit stating that the applicant will be unavoidably absent from the county of his residence on the day of the election. The affidavit shall also contain a statement by two qualified voters in the same precinct as the applicant to the effect that, to the extent of their knowledge the applicant will be unavoidably absent from the county of his residence on the day of the election. The affidavits shall be substantially in the following form:

County Clerk of ____________ County, ____________, Kentucky.

I, ______________, attest that I am a qualified voter in ________ precinct of ____________ County (or ________ ward of __________, Kentucky) and further attest that I will be unavoidably absent from ____________ County on the ____ day of ____________, 19____, and intend to vote by absent voter's ballot.

____

(Signature of applicant)

____

(Address)

We, the undersigned, attest that we are qualified voters of ______ precinct of ____________ County (or ______ ward of ____________,

Kentucky) and further attest that, to the extent of our knowledge____
_____________________ will be unavoidably
(Name of applicant)
absent from ____________ County on the ______ day of ____________,
19____.

____
(Signature and address of attesting voter)

____
(Signature and address of attesting voter)

The penalty for falsely signing this affidavit is six months imprisonment.

Subscribed and sworn to before me this ______ day of ________,
19____.

____
(Signature and official title)

(2) The following absent voters are exempted from executing the affidavit set out in subsection (1) above:

(a) Persons confined in a hospital or nursing home due to illness.

(b) Students and their spouses.

(c) Members of the armed forces and their dependents.

(d) Employes of the United States government and their dependents.

(3) The penalty for falsely signing an affidavit is six months imprisonment. This penalty shall be set out on the affidavit.

Section 5. KRS 126.210 is amended to read:

(1) The Secretary of State shall cause to be prepared and printed an appropriate number of inner envelopes for absent voter's ballots, for all counties. Each such envelope shall be gummed, ready for sealing. Upon one side of such envelope shall be printed, in substantially the following form:

OFFICIAL ABSENT VOTER'S BALLOT

Name of Voter ____
Residence (Street and number, if any)__________________________
County of ____________________________________City or town of
____

---

(2) On the other side of such envelope shall be printed the following oath:

I do hereby swear (or affirm) that I am a citizen of the United States and am now of the age of at least eighteen years or will be on the day of the election to be held on the ______ day of __________, 19____, (here insert the day of the election) that I will have been a resident of the State of Kentucky for at least one year preceding such election, and a resident of the County of ________________, for more than six months preceding such election, and a resident of ______ precinct of said County (or ______ ward of the city of ____________, County of _____________) at *least* [last] sixty days preceding such election; that I am a duly qualified voter of said precinct or said ward, and I am affiliated with the ____________ political party; that for the reason [checked and] explained below:

____

(Here set out reason for being absent)

[☐ United States Service ____________________________________
(Specify branch)

☐ Spouse of member of United States Service_______________
____
(Specify branch)

☐ Dependent of member of United States Service___________
____
(Specify branch and kinship)

☐ Full-time resident student ________________________________
(Specify school)

☐ Member, spouse or dependent of religious or welfare agency
____
(Specify armed service and agency)]

I expect to be *unavoidably* absent from said county at the time of said election.

____

(Voter must sign here, and oath must be administered and attested.)

Subscribed and sworn to before me this ______ of ______________.

____
(Official Title)

Such oath shall constitute prima facie evidence that the voter is qualified to vote, unless the statements contained in such oath indicate the contrary.

Section 6. KRS 126.220 is amended to read:

The Secretary of State shall also cause to be prepared and printed an appropriate number of forms for application for absent voter's ballots, *forms for the affidavit described in Section 4 of this Act,* and of instructions for absent voters. The Secretary of State shall furnish to each county court clerk, upon application, a sufficient number of inner envelopes, application forms, *forms for affidavits,* and instructions.

HB 107, AN ACT relating to elections.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 125.140 is amended to read:

(1) The voter shall be instructed by the officers of election, with the aid of the instruction cards and the mechanical model, in the use of the machine, if the voter so requests.

(2) No voter shall be permitted to receive any assistance in voting unless he makes and signs an oath that, by reason of inability to read English, or by reason of blindness or other physical disability he is unable to vote without assistance. Upon making and filing with the judges such oath, the voter shall retire to the voting machine, with the judges, *or the sheriff and clerk,* and one of the judges shall then, in the presence of the other and the voter, operate the machine as the voter directs. *The judges shall alternate with the sheriff and clerk in accompanying voters requiring assistance.* In case the person applying to vote is blind, he may, if he prefers, be assisted by a person of his own choice. The clerk shall swear the person accompanying the blind ovter to operate the voting machine in accordance with the directions of the blind voter, and the blind voter anad the person sworn shall then enter the voting booth and the one so sworn shall operate the machine for the blind voter as he directs. No voter shall be assisted under this subsection unless the judges and the sheriff of election are satisfied of the truth of the facts stated in the oath. The voter shall state in his oath the specific physical disability that requires him to receive assistance, and the judges of election shall enter in writing, on a record of assisted voters, the voter's name and the specific physical disability which required him to receive assistance.

(3) No voter shall be permitted to occupy the voting machine more than two minutes if other voters are waiting to use it.

(4) In primary elections, before a voter is pemitted to use the voting machine, a judge of the election shall adjust the machine so that the voter will only be able to vote for the persons who are seeking nomination as candidates of the party with which the voter is affiliated.

(5) If the machine is so constructed as to require adjustment after one person has voted before another person may vote, the judges of election shall so adjust it after each person has voted.

(6) The election officers shall constantly maintain a watch in order to prevent any person from voting more than once.

HB 106, AN ACT relating to elections.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 2. KRS 116.180 is amended to read:

(1) Each county shall be divided into election precincts. The county court shall make the division as often as necessary to comply with the provisions of this section, and shall establish the name or number and the boundaries of the precincts, *except that no precinct shall contain portions of more than one legislative district within its boundaries.* Each precinct shall contain, as nearly as practicable, an equal number of voters, based on the number of registered voters in the precinct, not to exceed three hundred and fifty voters to a precinct. This section is not intended to affect KRS 125.180, relating to precincts wherein voting machines are used or may be used.

(2) If the county judge fails to perform his duty herein required, then any citizen and voter of the county may apply to the circuit court of the county for a summary mandatory order requiring him to perform his duty. Appeals may be taken to the Court of Appeals by either party.

SR 13, A CONCURRENT RESOLUTION petitioning the Congress of the United States to call a Convention for proposing an Amendment to the Constitution of the United States, unless Congress shall sooner have submitted such an Amendment, to provide for the election of the President and Vice President in a manner fair and just to the people of the United States.

WHEREAS, under the Constitution of the United States Presidential and Vice Presidential Electors in the several states are now elected on a statewide basis, each state being entitled to as many electors as it has senators and representatives in Congress; and

WHEREAS, the Presidential and Vice Presidential Electors who receive the plurality of the popular vote in a particular state become entitled to cast the total number of electoral votes allocated to that state irrespective of how many votes may have been cast for other Elector candidates; and

WHEREAS, this method of electing the President and Vice President is unfair and unjust in that it does not reflect the minority votes cast; and

WHEREAS, the need for a change has been recognized by members of Congress on numerous occasions through the introduction of various proposals for amending the Constitution;

NOW, THEREFORE,

Be it resolved by the Senate of the Commonwealth of Kentucky; the House of Representatives concurring therein:

Section 1. That application is hereby made to Congress under Article V of the Constitution of the United States for the calling of a Convention to propose an Article of Amendment to the Constitution providing for a fair and just division of the electoral votes within the States in the election of the President and Vice President; and be it further

RESOLVED, that if and when Congress shall have proposed such an Article of Amendment this application for a Convention shall be deemed withdrawn and shall be no longer of any force and effect; and be it further

RESOLVED, that the proper officer of this State be and he hereby is directed to transmit copies of this application to the Senate and House of Representatives of the United States, and to the several members of said bodies representing this State therein; also to transmit copies hereof to the Legislature of all other States of the United States.

Said Committee Amendment to **SR 13** is as follows:

Amend printed copy of Senate Resolution 13 on page 2, line 11, by: striking "the proper officer of this State" and inserting in lieu thereof: "the Chief Clerk of the Senate of the Commonwealth of Kentucky"

HB 198, AN ACT relating to voting hours.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

KRS 118.040 is amended to read:

The polls shall be opened at 6 a.m., *Standard Time,* and kept open continuously until *6* [5] p.m., *Standard Time,* of the same day. Before receiving any ballots, the officers of election shall cause to be proclaimed that the election is opened.

HB 124, AN ACT relating to registration and purgation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 117.812 is repealed.

Committee on Ways and Means reported **SB 86** with the expression of opinion that the same should not pass.

Committee on Ways and Means reported **HB 72**, with Committee Amendment, **SB 169**, with Committee Amendment, **HB 131** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 72, AN ACT relating to the Teachers' Retirement System of the State of Kentucky.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 161.220 of the Kentucky Revised Statutes is amended to read as follows:

(1) "Retirement system" means the arrangement provided for in KRS 161.230 to 161.710 for payment of [retirement] allowances [or disability allowances] to teachers.

(2) "Retirement allowance" means the amount annually payable during the course of his natural life to a member who has been retired by reason of [superannuation] *service.*

(3) "Disability allowance" means the amount annually payable [before the deductions authorized in KRS 161.670 during the course of his natural life] to a member [who has been] retired by reason of disability [before reaching the age of sixty years].

(4) "Teacher" means:

(a) Any full-time regular or special teacher, principal, supervisor, superintendent, assistant superintendent, librarian, attendance officer, or other full-time member of the teaching or professional staff engaged in the service of the public elementary and secondary schools for whom certification is required as a condition of employment;

(b) All members of the instructional and administrative staffs of Eastern Kentucky State College, Kentucky State College, Morehead State College, Murray State College, Western Kentucky State College, Kentucky School for the Deaf, Kentucky School for the Blind, and the State and area vocational schools [West Kentucky Vocational Training School and Mayo State Vocational School] who are regularly employed by a board of education, board of regents [or board of trustees for a full term for which school is maintained;] *or similar body;*

(c) The Superintendent of Public Instruction and the division heads and other professional staff members of the State Department of Education;

(d) Any member of a local retirement system who became a member of the state *teachers'* retirement system according to the provisions of Acts, 1938, 1st ex. s., c. 1, paragraph 49; [and]

(e) Such members of the administrative staff of the teachers' retirement system of the State of Kentucky as the board of trustees may designate by regulation; *and* *(f) All members of the instructional and administrative staffs of any existing or later established public junior college not under control of the Board of Trustees of the University of Kentucky.*

(5) "Present teacher" means any teacher who was a teacher on or before July 1, 1940, and became a member of the retirement system created by Acts 1938, 1st ex. s., c. 1, on the date of the inauguration of the system or within one year after that date, and any teacher who was a member of a local teacher retirement system in the public elementary or secondary schools of the state on or before July 1, 1940, and continued to be a member of such system until he, with the membership of the local retirement system, became a member of the state *teachers'* retirement system, *or who becomes a member under the provisions of KRS 161.470 (4).*

(6) "New teacher" means any teacher not a present teacher.

(7) "Prior service" means the number of years during which the member was a teacher in Kentucky prior to July 1, 1941, [as allowed in his prior service certificate] except that not more than thirty years' prior service shall be allowed or credited to any teacher.

(8) "Subsequent service" means the number of years during which the teacher is a member of the [state] *teachers'* retirement system after July 1, 1941.

[(9) "Prior service certificate" means the certificate issued by the board of trustees of the retirement system designating the amount of accredited service, not to exceed thirty years, of a member prior to July 1, 1941.]

[(10)] *(9)* "Annual salary" means the average annual salary which the member has received for his service as a teacher in the public schools of Kentucky for five years or for as many years, if less than five prior to July 1, 1941, except that any salary which exceeds two thousand dollars shall be considered two thousand dollars. [and during the five years or as many years if less than five years, immediately preceding the following dates herein, except that any salary which exceeds two thousand dollars in any year prior to July 1, 1946, shall be considered two thousand dollars and any salary for any year subsequent to July 1, 1946, and prior to July 1, 1955, which exceeds two thousand four hundred dollars shall be considered two thousand four hundred dollars and any salary subsequent to July 1, 1955, shall be the actual arithmetic average salary for any five consecutive years which will provide the highest average.] *Any salary subsequent to July 1, 1941, on which the member has made contribution shall be the actual arithmetic average salary for the five consecutive years, or for as many consecutive years if less than five, which will provide the highest average.*

[(11)] *(10)* "Annual compensation" [after July 1, 1955,] means the contractual salary and additions thereto received by a member as compensation for services as a teacher in the public schools of Kentucky during a [given] fiscal year before any deductions.

[(12)] *(11)* "Age of retirement" means the age attained at the last birthday of the member preceding the date of retirement.

[(13)] *(12)* "Age of entrance" means the age attained at the last birthday of any member at the time of the establishment of the retirement system, if the member was a teacher subject to membership in the system at that time. Otherwise it means the age attained at the last birthday of any member at the time he first becomes a member of the retirement system. Any birthday occurring on February 29 shall be considered as occurring on February 28.

[(14)] *(13)* "Regular interest" means interest at three percent per annum [compounded annually].

[(15)] *(14)* "Accumulated contributions" means the contributions of a member [plus regular interest] *to the teachers' savings fund for retirement annuity.*

[(16)] *(15)* "Annuitant" means a person who receives a retirement allowance or a disability allowance.

[(17)] *(16)* "Local retirement system" means any teacher retirement or annuity system created in any public school district in Kentucky in accordance with the laws of Kentucky.

[(18)] *(17)* "Fiscal year" means the twelve-month period from July 1 to June 30.

[(19)] *(18)* "Public schools" means the schools and other institutions mentioned in subsection (4) of this section.

[(20)] *(19)* "Dependent" as used in KRS 161.520 *and Section 22 of this Act* means a [beneficiary of a survivors benefit] *person* who was receiving, at the time of death of the member, at least one-half of the support from the member for maintenance, including board, lodging, medical care and like costs.

(20) "Last earned annual compensation" means the gross compensation before any deductions earned by the member for the last full payroll period, multiplied by the number of payroll periods in the member's contract year.

Section 2. Section 161.340 of the Kentucky Revised Statutes is amended to read as follows:

(1) The board of trustees shall elect from its membership a chairman and a vice chairman on an annual basis as prescribed by the rules and regulations of the board of trustees. It shall appoint or

contract for the services of an executive secretary and fix his compensation without limitation of the provisions of KRS Chapter 18 and KRS 64.640, subject to the approval of the Commissioner of Personnel.

The executive secretary, at the time of his appointment or selection, shall be a person at least thirty-five years of age, a graduate of a standard four-year college with at least ten years' membership in the teachers' retirement system. He shall not have held by appointment or election an elective office within the five-year period next preceding the date of appointment or selection.

(2) The board shall engage such actuarial, legal, medical and other technical services and such clerical and other services as are required to transact the business of the retirement system. The compensation of all persons engaged by the board shall be paid at such rates and in such amounts as the board approves, subject to the approval of the Commissioner of Personnel. All other expenses for the operation of the retirement system shall be in such amounts as the board approves.

Section 3. Section 161.380 of the Kentucky Revised Statutes is amended to read as follows:

The State Treasurer is the custodian of all funds of the retirement system. He shall honor and pay all vouchers drawn on the retirement funds. [when there is attached to the vouchers certified copies of resolutions of the board authorizing the respective payments.] All securities purchased by order of the board of trustees shall be [forthwith] placed in the hands of the treasurer. He shall collect the interest and principal thereon as it becomes due and payable and place it in the guarantee fund. The treasurer shall, upon delivery of the securities to him, honor and pay all vouchers drawn on the retirement funds for payment of securities purchased upon order of the board [when there is attached certified copies of resolutions of the board authorizing the purchases]. The board may sell any of the securities [upon like resolution] and the proceeds thereof shall be paid by the purchaser to the treasurer upon delivery to him of the securities by the treasurer. All payments from the several funds of the retirement system shall be made only upon vouchers signed by the secretary of the retirement system.

Section 4. Section 161.420 of the Kentucky Revised Statutes is amended to read as follows:

All the assets of the retirement system shall be credited according to the purpose for which they are held to one of the following funds:

(1) The expense fund shall consist of the funds set aside from year to year by the board of trustees to defray the expenses of the administration of the retirement system. Each fiscal year an amount not

greater than four percent of the receipts of the state accumulation fund shall be set aside into the expense fund or expanded for the administration of the retirement system.

(2) The teachers' savings fund shall consist of the *contributions* [assessments] paid by members of the retirement system *into this fund* and *regular* interest assigned by the board of trustees from the guarantee fund. The accumulated contributions of a member returned to him upon his withdrawal or paid to his estate or designated beneficiary in the event of his death shall be paid from the teachers' savings fund. Any accumulated contributions forfeited by a failure of a teacher or his estate to claim the same shall be transferred from the teachers' savings fund to the guarantee fund. The accumulated contributions of a member shall be transferred from the teachers' savings fund to the allowance reserve fund in the event of retirement by reason of *service* [superannuation] or disability.

(3) The state accumulation fund shall consist of [the state's appropriations to the retirement system] *funds appropriated by the state for the purpose of providing annuities including any sums appropriated for meeting unfunded liabilities,* excluding money assigned to the expense fund together with *regular* interest assigned by the board of trustees from the guarantee fund. At time of retirement of a member by reason of *service* [superannuation] or disability there shall be transferred from the state accumulation fund *to the allowance reserve fund* an amount which together with the sum transferred from the teachers' savings fund will be sufficient to provide the member a retirement allowance [granted in KRS 161.620 and 161.660].

(4) The allowance reserve fund shall be the fund from which shall be paid [all allowances or benefits in lieu thereof on account of which moneys have been transferred from the teachers' savings fund, the state accumulation fund or the guarantee fund] *all retirement allowances.*

(5) *The hospital and medical insurance fund shall be the fund in which an amount equal to one half of one percent of the gross annual payroll of all members shall be deposited. One quarter of one percent of such funds shall derive from member contributions and one quarter of one percent from state appropriation. Moneys so deposited shall be paid from this fund in order to meet costs resulting from medical and hospital services to retired members as provided in Section 20 of this Act. Any amounts not required to meet current costs shall be maintained as a reserve for this benefit.*

(6) The survivors and death benefit fund shall consist of amounts accumulated for the purpose of providing survivors and death benefits to the estates or assigns of deceased members as provided in KRS 161.520 and 161.655.

One half of one percent of the annual compensation of all members shall be deposited in this fund. One quarter of one percent of this amount shall derive from the contributions of members and one quarter of one percent from state appropriation. In addition whenever a change in the status of a member results in an obligation on this fund, there shall be transferred to this fund from the teachers' savings fund, the state accumulation fund and the allowance reserve fund such amounts as may be held in those funds for the account or benefit of the member. All claims for benefits under KRS 161.520 and 161.655 shall be paid from this fund. Any amounts not required to meet current costs shall be maintained as a reserve for this benefit.

[(5)] *(7)* The guarantee fund shall be [established] *maintained* to facilitate the crediting of uniform interest on the amounts of the other funds, except the expense fund, and to provide a contingent fund out of which special requirements of any of the other funds may be covered. All income, interest and dividends derived from the authorized deposits and investments shall be paid into the guarantee fund. Any funds received from gifts and bequests, which the board is hereby authorized to accept, shall be credited to the guarantee fund. Any funds transferred from the teachers' savings fund by reason of lack of claimant or because of a surplus in any fund, and any other moneys whose disposition is not otherwise provided for, shall also be credited to the guarantee fund. The interest allowed by the board of trustees to each of the other funds shall be paid to such funds from the guarantee fund. Any deficit occurring in any fund that would not be automatically covered shall be met by the payments from the guarantee fund to that fund.

Section 5. Section 161.430 of the Kentucky Revised Statutes is amended to read as follows:

(1) The board of trustees shall be the trustee of the funds of the retirement system and shall have full power and responsibility for the [investment and disbursement of the funds] *purchase, sale, exchange, transfer or other disposition of the investments and moneys of the retirement system. The board may appoint an investment committee consisting of the executive secretary and two trustees to act for the board in all matters of investment, subject to the approval of the board of trustees.* No investment shall be made of the funds except in the following:

(a) Bonds, notes and other obligations of or guaranteed by the United States, or those for which the credit of the United States is pledged for the payment of the principal and interest thereof, and any bonds, notes, debentures or any other obligation or securities issued or guaranteed by any federal government agency, presently or in the future established by an Act of Congress, and as amended or supplemented from time to time:

(b) Obligations of the Commonwealth of Kentucky and obligations of its departments and agencies, including revenue bonds;

(c) Obligations of any city of the first, second, third, fourth, or fifth classes of the Commonwealth of Kentucky, or county containing such city, for the payment of principal and interest on which the full faith and credit of the issuing body is pledged;

(d) School improvement bonds issued in accordance with authority granted under KRS 162.080 to and including KRS 162.100;

(e) School building revenue bonds issued in accordance with authority granted under KRS 162.120 to and including KRS 162.300, and any act or acts passed in the 1960 session of the General Assembly providing for the issuance of school building revenue bonds, provided the issuance of such bonds is approved by the State Board of Education;

(f) Revenue bonds issued by educational institutions of the Commonwealth of Kentucky as authorized by KRS 162.340 to and including KRS 162.380;

(g) Public utility revenue bonds issued by any city of the first, second, third, fourth, or fifth classes, or by a county containing such a city, or by a special taxing district located within such city or county in the Commonwealth, provided: 1. the net income from such public utility property available for the payment of such securities, for the five fiscal years next preceding any such investment, shall have averaged at least 1 1/10 times all debt service requirements for principal, interest and sinking fund of all revenue securities payable only out of the revenues from such property during each of such fiscal years, and 2. the issuer of the securities covenants and is obligated to maintain rates to produce revenues, or will receive contract payments, either or both of which will be sufficient to meet costs of operation, taxes and all debt service requirements and such obligation or contract is legally enforceable;

(h) Obligations, consisting of notes, bonds, debentures, or equipment trust certificates issued under an indenture, which are the direct obligation or in the case of equipment trust certificates, are secured by direct obligation, of a corporation organized under the laws of the United States or any state in the United States or the District of Columbia, when such bonds are rated at time of purchase within the three highest classifications established by one or more major rating services;

(i) Deposits in banks or trust companies in the Commonwealth of Kentucky organized under the laws of this state, or of the United States, when such deposits are interest bearing at a rate not lower than two percent per annum, and when such deposits are fully secured by direct obligations of the United States Government or of the Commonwealth of Kentucky, placed in the hands of the state treasurer and approved by the board of trustees;

(j) Stocks, preferred or common, issued or guaranteed by a corporation created or existing under the laws of the United States or any state thereof, subject to the statutory restrictions governing investments by insurance companies incorporated in Kentucky.

(k) Mutual-type funds established and controlled by any organization which may be formed by the Kentucky Teachers' Retirement System and other state retirement systems of Kentucky and other southern states for the mutual investment of funds in Kentucky or the southern regional area;

(l) Productive real estate;

(m) Industrial revenue bonds issued under authority of KRS 103.200 to 103.280; provided, however, the lease for the building between the city and the leasing corporation is for a period equal to or greater than the period for which the bonds are issued and the rental payments are sufficient to amortize all the bonds issued, and further provided that:

1. The Common stock of the leasing corporation shall be listed on either the New York Stock Exchange or the American Stock Exchange.

2. In each of the last three reporting years prior to the issuance of the bonds the income before taxes of the leasing corporation must have been equal to at least twice the maximum lease requirements under the lease agreement.

3. The current assets of the leasing corporation at the end of each of the three last reporting years prior to the issuance of the bonds must have been at least 150 percent of the current liabilities at those given periods.

4. The net worth of the leasing corporation at the end of the last reporting period must be at least twice the amount of the proposed bond issue under the lease agreement.

The net working capital of the leasing corporation at the end of the most recent reporting year must have been at least fifteen million dollars.

(2) (a) Not more than twenty-five percent of any one issue may be purchased by the board of trustees as an investment, and not more than five percent of the invested funds of the retirement system may be invested in the obligations of any issuer except in the case of obligations of the United States Government; provided that not more than ten percent of the invested funds may be invested in an issue of the Commonwealth of Kentucky or its departments or agencies as defined in this subsection. For the purpose of this subsection

revenue bond obligations of the Commonwealth of Kentucky or its departments or agencies shall not be deemed to be obligations of the same obligor if the revenues pledged are derived from separate projects. No investment may be made in the obligation of any issuer which has been in default of any of its bonds or interest during a period of the last ten years immediately preceding the purchase.

(b) No more than sixty percent of the assets of the retirement system may be invested in the foregoing classification subsection (1)(h); no more than twenty percent of said assets may be invested in the foregoing classification subsection (1) (b); no more than twenty-five percent of said assets may be invested in any one of the foregoing classifications subsections (1)(c), (1)(d), (1)(e), (1)(f) and (1)(g); and no more than ten percent of said assets may be invested in any one of the foregoing classifications subsections (1)(i), (1)(j), and (1)(k); and no more than six percent of said assets may be invested in the foregoing classifications subsections (1)(l) and (1)(m).

(3) No investment or disbursement of funds shall be made unless authorized by resolution adopted by the board of trustees.

Section 6. Section 161.440 of the Kentucky Revised Statutes is amended to read as follows:

At the end of each fiscal year the board of trustees shall assign from the guarantee fund to each of the other funds, except the expense fund, interest at the rate of three percent [on the average amount of such funds during that fiscal year]. The amounts so allowed shall be due and payable to the funds and shall be annually credited thereto by the board of trustees from interest and other earnings on money of the retirement system.

Section 7. Section 161.470 of the Kentucky Revised Statutes is amended to read as follows:

(1) The membership of the retirement system shall consist of all new teachers, and all present teachers except as provided in Acts, 1938, 1st ex. s., c. 1, paragraph 29. [Persons entering service who hold membership in a retirement system financed in whole or part by Kentucky state funds may retain membership in that system instead of becoming members of the teachers' retirement system provided the statutes governing said system make continued membership possible.]

(2) *Service credit shall be forfeited upon withdrawal. If a teacher again enters service it shall be as a new teacher, except that any teacher who withdraws by claiming his deposits may, before he is absent from service three school years, repay the system the amount withdrawn plus regular interest and re-establish his service credit.* Effective July 1, 1960, and thereafter, a member or former member of the retirement system with at least three years of contributing service subse-

quent to the withdrawal of contributions and cancellation of service credit may regain such credit by depositing in the teachers' savings fund the amount withdrawn with interest at the rate of three percent per annum compounded annually computed from the first of the month of withdrawal and including the month of redeposit and by depositing in the state accumulation fund an additional sum equal to fifty percent of this amount. The payment to the state accumulation fund, [including regular compound interest] shall, in the event of death of the member prior to retirement, be [considered as accumulated contributions of the teacher.] *refunded to the estate or assigns of the teacher unless the assigns qualify for benefits provided in KRS 161.520 or Section 22 of this Act.*

(3) Effective July 1, 1960, any teacher who declined membership as provided in Acts, 1938, 1st ex. s., c. 1, paragraph 29, and who has since entered as a "new" teacher may secure service credit for prior service, and for any subsequent service prior to date of membership, by depositing in the teachers' savings fund contributions for each year of subsequent service prior to date of membership, with interest at the rate of three percent compounded annually to the date of deposit. The teacher shall also deposit an additional sum equal to fifty percent of this amount in the state accumulation fund. In the event of the death of the member prior to retirement, the payment to the state accumulation fund shall be [considered as accumulated contributions of the member] *refunded to the estate or assigns of the teacher unless the assigns qualify for benefits provided in KRS 161.520 or Section 22 of this Act.*

(4) Effective July 1, 1960, any teacher who declined membership as provided in Acts, 1938, 1st ex. s., c. 9, paragraph 29, may become a member and receive credit for prior and subsequent service by making proper contribution for the year 1940-41 and for each year thereafter, together with interest at the rate of three percent per annum compounded annually. The teacher shall deposit an additional sum equal to fifty percent of this amount in the state accumulation fund. In the event of the member's death prior to retirement, the contributions to the state accumulation fund shall be [considered as accumulated contributions of the member] *refunded to the estate or assigns of the teacher unless the assigns qualify for benefits provided in KRS 161.520 or Section 22 of this Act.*

(5) No person shall take advantage of the provisions of subsections (2), (3) and (4) above more than once.

(6) Membership in the retirement system shall be terminated:

(a) by retirement for service;

(b) by death;

(c) by withdrawal;

(d) when a teacher who is absent from service withdraws his deposits in the fund; or

(e) When a teacher is absent from service six consecutive years, provided, however, that a member who has completed ten years of service in Kentucky may elect to leave his deposits with the system and retire as set forth in KRS 161.600, paragraph 1.

(7) In case of withdrawal from service prior to eligibility for retirement, the board of trustees shall return to the teacher all of his accumulated contributions, but the teacher shall have no claim on any contributions made by the state with a view to his retirement or to any contributions made to the hospital and medical insurance fund, or the survivors and death benefit fund. If the member is eligible for a retirement allowance provided in KRS 161.600 no withdrawal and refund shall be permitted, but in lieu thereof the teacher shall be entitled to the retirement allowance provided by the retirement system.

(8) Except as provided in KRS 161.520 in case of death prior to retirement the board of trustees shall pay to the estate of the deceased member or to his assigns all of his accumulated contributions, with regular interest, but the estate or assigns shall have no claim on any contributions made by the state with a view to the retirement of the teacher or to any contributions made to the hospital and medical insurance fund or the survivors and death benefit fund.

Section 8. Section 161.480 of the Kentucky Revised Statutes is amended to read as follows:

Each person, upon becoming a member of the retirement system shall file a detailed statement [of all of his previous service as a public employee, his date of birth, his age at entrance into the system, the salary received as a public school employee in this state and such other facts as the board of trustees require for the proper operation of the retirement system] *as required by the board of trustees and shall designate a beneficiary to receive any benefits accruing from the death of the member. This designation shall remain in full force and effect until changed by the member except that subsequent marriage by the member shall void the designation and the spouse of the member at death shall be considered as beneficiary unless the member subsequent to marriage designates another beneficiary.*

Section 9. Section 161.490 of the Kentucky Revised Statutes is amended to read as follows:

To the extent to which it is used in determining the liability of any fund of the retirement system, the board of trustees shall ascertain the correctness of the statement filed under KRS 161.480 by the best evidence it is able to obtain. If official records are not available as to length of service, age, salary, or other information required for the administration of the retirement system, the board may use its discretion as to the evidence to be accepted. [When all the statements have been properly investigated and recorded, the secretary of the retirement system shall issue to each member a certificate of membership in the system.]

Section 10. Section 161.520 of the Kentucky Revised Statutes is amended to read as follows:

[(1) Membership in the retirement system shall be terminated:]

[(a) by retirement for disability or superannuation;]

[(b) by death;]

[(c) by withdrawal;]

[(d) when a teacher who is absent from service withdraws his deposits in the fund; or]

[(e) when a teacher is absent from service three out of six consecutive years, unless the board of trustees in accordance with its rules and regulations grants a longer period, not in excess of six years, of absence from active service as a teacher without the loss of his status as a member.]

[(2) Prior service rights shall be forfeited upon withdrawal, and if the teacher again enters the service, it shall be as a new teacher, except that any teacher who withdraws by claiming his deposits may, before he is absent from service three school years, repay the system the sums he received from it upon his withdrawal with regular interest and thus re-establish his prior service rights.]

[(3) In case of withdrawal from service prior to eligibility for retirement, the board of trustees shall return to the teacher all of his accumulated contributions, but the teacher shall have no claim upon any contributions made by the state with a view to his retirement. If the member is eligible for a retirement allowance provided by KRS 161.600, 161.610, or 161.620, no withdrawal and refund shall be permitted, but in lieu thereof the teacher shall be entitled to the retirement or disability allowance provided by the retirement system.]

[(4) Except as provided in subsection (5), in case of death prior to retirement the board of trustees shall pay to the estate of the deceased member or to his assigns all of his accumulated contributions, with regular interest, but the estate or assigns shall have no claim on any contributions made by the state with a view to the retirement of the teacher.]

[(5)] Upon death of a member who has had subsequent service credit for at least *three* [six] years and who was in [active] *contributing* service [for at least one full] *during the* fiscal year immediately prior to his death or prior to the beginning of his last illness, or upon the death of a teacher retired for disability, the board of trustees shall pay to the estate or assigns of the deceased teacher a refund of his accumulated contributions; provided, however, the survivors of the deceased teacher, in the following named order, may elect to receive in lieu of a refund of the accumulated contributions a survivors benefit, payable as follows:

(a) Where the survivor is a widow or a dependent widower, and the survivor's marriage to the deceased teacher took place at least one year prior to the teacher's death, the benefit shall be eighty dollars per month, or one-half of the retirement allowance that the teacher would have received had he been eligible and retired at the date of his death or was receiving as a disabled teacher at the date of death, whichever is larger.

(b) Where the survivor is an unmarried child under age eighteen, the benefit shall be eighty dollars per month in the case of one such child, one hundred and twenty-five dollars per month in the case of two such children, one hundred and fifty dollars per month in the case of three such children, and one hundred and sixty dollars per month in the case of four or more such children.

(c) Where the survivor is a child age eighteen or older whose mental or physical condition is sufficient to cause his dependency on the deceased member at the time of the member's death, the benefit shall be one hundred dollars per month, payable for the life of such child or until such time as the mental or physical condition creating the dependency no longer exists. Benefits under this paragraph and paragraph (b) shall apply to legally adopted survivors provided the proceedings for the adoption were initated at least one year prior to the death of the member. Benefits under this paragraph and paragraph (b) shall apply notwithstanding an eligible widow or dependent widower survives the deceased member.

(d) Where the sole eligible [survivor] *survivors* [is a] *are* dependent [parent] *parents* aged sixty-five or over, the benefit shall be eighty dollars per month for one parent or one hundred and twenty dollars per month for two parents. Dependency of a parent shall be established as of the date of the death of the member.

(e) Where the sole eligible survivor is a dependent brother or sister, the benefit shall be eighty dollars per month. In order to qualify the brother or sister must have been a resident of the deceased member's household for at least one full year prior to the member's death or must have been receiving care in a hospital, nursing home or other institution at the member's expense for a like period.

(f) The benefit to a child shall terminate upon the attainment of age eighteen or upon marriage. The benefit to a widow, dependent widower, dependent parent or dependent brother or sister shall terminate upon marriage. The benefit shall not be paid during the time the survivor, other than a child, is receiving an annuity, pension or allowance in excess of eighty dollars per month from a retirement or pension system in the state of Kentucky financed in whole or part by public contributions, excluding Old Age and Survivors Insurance, or has income from all sources of $2,400 per year, not including any benefit payable under the terms of KRS 161.220 to 161.710. If income from all sources exceeds $2,400 per year, one dollar shall be subtracted from the benefit for each dollar of total income exceeding $2,400 per year.

(g) The board of trustees shall be the sole judge of eligibility or dependency of any beneficiary, and may require formal application or information relating thereto, including proof of annual income satisfactory to the board. The board of trustees may subpoena records and individuals whenever it deems such action necessary.

(h) No payments of benefits shall be made unless the board of trustees shall have authorized such payments. The board shall formulate and adopt necessary rules and regulations for the administration of the foregoing provisions and in every case the decision of the board of trustees shall be final as to eligibility, dependency or disability, and the amounts of benefit payable.

Section 11. Section 161.540 of the Kentucky Revised Statutes is amended to read as follows:

Each member shall contribute to the retirement system *seven* [five] percent of his annual compensation. The contribution of a member shall not exceed this percentage on his current annual compensation.

Section 12. Section 161.560 of the Kentucky Revised Statutes is amended to read as follows:

Each agency employing members of the retirement system shall deduct from the compensation of each member for each payroll period subsequent to the date upon which the teacher became a member such percentage of his earnable compensation as is due under the rates prescribed in KRS 161.540. [and shall certify the amounts so deducted to the treasurer of the employing agency together with a list of all members contributing and the amounts contributed by each. Upon receipt of such certificate the treasurer shall immediately transmit the collections to the secretary of the retirement system together with a list of all members contributing and the amounts contributed by each. The secretary of the retirement system after making a record of all such receipts, shall pay them to the State Treasurer.] *No later than fifteen days following the end of each payroll period the agency shall forward all amounts so deducted to the teachers' retirement system. Such payroll reports, contribution lists, and other data as may be required by regulation of the board of trustees shall be submitted.*

The deductions shall be made notwithstanding the fact that the [pay resulting therefrom] *salary as a result* may be less than the minimum compensation provided by law. [for teachers.] Every member shall be deemed to consent and agree to the deductions and the deductions shall be considered as having been paid to the member.

Section 13. Section 161.600 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any member who has attained the age of sixty years and who has completed *ten* [fifteen] years of service as a teacher in Kentucky, five of which are subsequent to July 1, 1941, with at least one year subsequent to July 1, 1959, may retire upon written application to the board of trustees of the teachers' retirement system. [Any member who completes five years of service subsequent to July 1, 1941, and who enters employment covered by another retirement system financed in whole or part with Kentucky state funds, may retain membership in the teachers' retirement system instead of joining the new system.] Any member shall be automatically retired as of July 1 following the end of the fiscal year during which he attains the age of seventy. [Any teacher retired by reason of service and less than age seventy may waive his annuity and return to regular employment in a Kentucky public elementary or secondary school or state college. Such teacher shall receive no annuity payments while so employed and shall be returned to the annuity rolls as of July 1 following the close of the fiscal year in which the teaching was performed. Such person shall not be considered a member of the retirement system, and no contributions shall be made for him. Service subsequent to retirement shall not be used to improve an annuity.]

(2) Any member of the retirement system with thirty years of creditable service in Kentucky may apply for and receive an annuity. At least five years of such service must be subsequent to July 1, 1941.

(3) Any person who has been a teacher in Kentucky for thirty years or more and who withdraws from teaching after July 1, 1941, and before reaching the age of sixty-five years may refuse to withdraw his deposits and continue to pay into the fund each year until the end of the fiscal year in which he reaches the age of sixty-five years the same amount that he was required to contribute during his last full year as a teacher. If he so elects he shall, at the end of the fiscal year in which he attains the age of sixty-five years and thereafter, be entitled to receive the same retirement allowance as a teacher who retires at the age of sixty-five years.

Section 14. Section 161.605 of the Kentucky Revised Statutes is amended to read as follows:

Retired teachers may do substitute teaching in the public schools for *the equivalent of* sixty [for a period not to exceed] days in any one school year and receive compensation for same without reduction in retirement annuities. *The board of trustees by regulation may establish fractional equivalents of a day of teaching service.*

Section 15. Section 161.620 of the Kentucky Revised Statutes is amended to read as follows:

(1) The retirement allowance of a member retiring *or retired* for *service* [superannuation] whose age *at* [of] retirement is *sixty-five* [seventy] years shall be one percent of his average annual salary for prior service for each year of prior service credit [plus one and one-half percent of his average annual compensation for each year of subsequent service between the years 1941 and July 1, 1955, plus a percentage in excess of one and one-half percent to be determined by the actuary of the system and approved by the board of trustees, said determined percentage to be taken of his annual subsequent service salary for the years after July 1, 1955] *plus one and three-fourths percent of his annual salary for the years after July 1, 1941.* The retirement allowance of a member [retiring for superannuation] whose age at retirement is less than *sixty-five* [seventy] shall be reduced to that amount which the value of the retirement allowance computed as provided in this section at age *sixty-five* [seventy] will purchase as of the actual age of retirement of the member according to the actuarial tables in use by the system. *The retirement allowance of a member whose age at retirement is greater than sixty-five shall be increased in a like manner.* Retirement allowance in final amount at age of retirement shall be determined by an actuarial factor equivalent to one at age *sixty-five* [seventy]. Said factors shall be determined by the actuary of the retirement system and approved by the board of trustees. In determining the amount of retirement allowance the actuarial value for male lives from the actuarial tables in use by the system shall be applied to all members both male and female.

(2) For any member retiring on or after July 1, 1955, no retirement allowance shall be greater than *three-fourths* [one-half] of the [average] annual [compensation] *salary* unless such allowance shall result from the application of a statutory minimum.

(3) Any teacher qualifying for retirement shall be entitled to receive an annual allowance amounting to not less than forty dollars multiplied by the service credit years of the teacher.

[(3) Effective July 1, 1960, each teacher retired prior to that date who had reached age sixty as of July 1, 1960, and had service credit of twenty or more years, and all teachers retired for disability, shall receive a total annual allowance amounting to not less than forty dollars multiplied by the service credit years of the teacher. Effective July 1, 1962, each teacher retired prior to July 1, 1960, with thirty or more years of service credit shall, effective July 1, following the sixtieth birth date, be entitled to receive a total annual allowance which shall not be less than an amount produced by multiplying the total years of service credit of the teacher by forty dollars.

(4) Beginning July 1, 1960, all teachers retiring thereafter who have reached the age of sixty at date of retirement, who have thirty or more years of service credit and are in active service at time of retirement, and all teachers retiring by reason of disability shall receive an annual allowance of not less than forty dollars multiplied by the service credit years of the teacher. It is further provided that any teacher who is forced into retirement due to reaching mandatory retirement age shall qualify for the minimum annuity herein provided if the teacher has twenty years of service credit plus one year of credit for each year elapsing between July 1, 1960, and date of retirement, or July 1, 1970, whichever is earlier.]

[(5)] *(4)* The minimum provided in this section shall apply in the case of teachers retired or retiring under an option in the same proportion to the benefits of the teacher and his beneficiary or beneficiaries.

Section 16. Section 161.655 of the Kentucky Revised Statutes is amended to read as follows:

(1) Upon the death of a retired teacher who at time of death is receiving a retirement or disability allowance, or upon the death of [an active member,] *a member who was in contributing service during the fiscal year immediately preceding his death,* a death benefit of *one thousand* [five hundred] dollars shall be paid to his estate following application to the board of trustees, together with acceptable evidence of death and eligibility.

(2) Suit or civil action shall not be required for the collection of the death benefit provided herein, but nothing in this section shall prevent the maintenance of suit or civil action against the beneficiary or legal representative receiving the death benefit.

Section 17. Section 161.705 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any member of the teachers' retirement system, or the board of education employing such member, or both, may make voluntary contributions of two percent or more of *the* [such] member's annual compensation to the retirement system for the benefit of *the* [such] member. Such contributions shall be invested as provided in KRS 161.430.

(2) *At* [upon] retirement *upon written application* any such member shall receive in addition to retirement allowances provided by law, such annuity as has been earned by the voluntary contributions made by or for such member, computed upon an actuarial basis, *or a refund of contributions and accrued interest.* The member shall have

the same benefit options with respect to such additional annuity as are provided in KRS 161.630 [excepting as provided in subsection (3) of this section].

(3) Upon the death or withdrawal from the retirement system of any member for any reason other than retirement, *or upon the demand of the member* such member or the estate of such member [and the board of education] shall [each] be reimbursed [respectively] for any voluntary contributions made by [or on behalf of] such member. [to the retirement system.] *A board of education may be reimbursed for any contributions made on behalf of a member by the board.* Such reimbursement shall be made in a lump sum with earned [average] interest or a rate of interest fixed by the retirement board. [Upon death after retirement no such reimbursement shall be made.]

Section 18. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) Any member who has completed ten or more years of accredited service in the public schools, or other covered positions, of the State of Kentucky, one full year of which immediately preceded retirement, may retire for disability and shall be granted a disability allowance. The annual allowance shall be equal to one-half of the last earned annual compensation.

(2) No member who has reached the age of sixty years and who is otherwise qualified for retirement may retire by reason of disability.

(3) Members shall earn one year of entitlement to disability retirement for each four (4) years of service in a covered position but any member meeting the service requirement for disability retirement shall be credited with no less than five years of such eligibility.

(4) A member retired by reason of disability shall continue to earn service credit at the rate of one year for each year so retired.

(5) Any member retired by reason of disability and remaining disabled at the expiration of the eligibility period shall be entitled to retire for service. The retirement allowance shall be calculated as set forth in KRS 161.620 except that those persons less than sixty years of age shall be considered as sixty.

(6) In order to qualify for retirement by reason of disability a teacher must suffer from a physical or mental condition of such a nature as to render him incapable of being gainfully employed as a teacher. Such incapability must be revealed by a competent examination by a licensed physician or physicians and must be approved by the medical review board.

(7) A member retired by reason of disability shall be required to undergo periodic examinations at the discretion of the board of

trustees to determine whether the disability allowance shall be continued. When examination and recommendation of the medical review board indicates the disability no longer exists, the allowance shall be discontinued.

(8) No payment of a disability benefit shall be made until ninety (90) days after the application for disability retirement has been filed.

(9) No person who receives a disability allowance may serve as a teacher either within or without the state of Kentucky. So doing shall constitute a misdemeanor. The recipient of a disability allowance who engages in any gainful occupation other than teaching must make a report of the duties involved, compensation received and any other pertinent information required by the board of trustees. If the income from other employment plus the disability benefit exceed seventy-five percent of the last earned annual compensation, the benefit shall be reduced to an amount which with earned income will not exceed seventy-five percent of the last earned annual compensation. In no case shall the benefit be reduced to less than fifty ($50) per month.

(10) The board of trustees shall designate a medical review board consisting of three licensed physicians and may designate physicians in various areas of the Commonwealth to conduct examinations as needed. The medical review board shall pass upon all applications for disability retirement and upon all statements, certifications, and examinations submitted in connection with such applications. The disposition of each case shall be recommended by the medical review board in writing to the board of trustees. Members of the medical review board shall follow such rules and regulations regarding procedures as the board of trustees may enact and shall be paid reasonable fees and expenses as authorized by the board of trustees in compliance with the provisions of KRS 161.330 and 161.340. The board of trustees may secure such additional medical service and information as it deems necessary.

Section 19. A new section of the Kentucky Revised Statutes is created to read as follows:

Any teacher retired by reason of service and less than age seventy may waive his annuity and return to regular employment in a Kentucky public elementary or secondary school or state college. Such teacher shall receive no annuity payments while so employed and shall be returned to the annuity rolls as of July 1 following the close of the fiscal year in which the teaching was performed. Such person shall not be considered a member of the retirement system, and no contribution shall be made for him. Service subsequent to retirement shall not be used to improve an annuity.

Section 20. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) The board of trustees is empowered to enter into contracts with insurance carriers for the purpose of providing a broad program of hospital and major medical insurance coverage to retired teachers age sixty or older and to the spouses of said retired teachers.

(2) The coverage provided shall be as set forth in the contracts and the regulations of the board of trustees. The contracts and regulations shall provide for, but not be limited to, hospital room and board, surgical procedures, doctors' care in the hospital and miscellaneous hospital costs.

(3) The board of trustees is empowered to pay premiums for insurance coverage from the hospital and medical insurance fund. It may provide such insurance coverage as is deemed desirable by making payment to institutions and individuals for services performed.

(4) Contracts negotiated may include the provision that a stated amount of hospital cost or period of hospitalization shall incur no obligation on the part of the insurance carrier or the retirement system.

(5) The board of trustees is empowered to adopt such rules and regulations as are necessary to assure efficient operation of the hospital and medical insurance program.

Section 21. A new section of the Kentucky Revised Statutes is created to read as follows:

Any member of the teachers' retirement system who enters employment covered by another retirement system in Kentucky financed in whole or part with public funds may retain membership in the teachers' retirement system instead of joining the new system. Persons who enter service covered by the teachers' retirement system and who hold membership in a Kentucky retirement system financed in whole or part with public funds may retain membership in that system providing the statutes and regulations governing said system make continued membership possible.

Section 22. A new section of the Kentucky Revised Statutes is created to read as follows:

Upon the death of a member in active contributing service at the time of death, who was eligible to retire by reason of service, the spouse or legal dependent of said member, if named as beneficiary, shall be entitled to elect, in lieu of a refund of the member's account or benefits provided in KRS 161.520(a), an annuity actuarially equivalent at the attained age of the beneficiary to the annuity that would have been paid to the deceased member had he been retired on the day immediately preceding his death. In exercising this right the spouse or legal dependent shall be limited to selecting an option providing either a straight life with refundable balance or ten years certain payment. Nothing in this section shall prevent a spouse from receiving the annuity provided herein at the same time as minor children are qualifying for survivors benefits under the provisions of KRS 161.520.

Section 23. Sections 161.240, 161.410, 161.570, 161.610, 161.625, 161.660, and 161.670 of the Kentucky Revised Statutes are repealed.

Section 24. The provisions of Section 11 of this Act shall become effective July 1, 1965. All other provisions of this Act shall become effective July 1, 1964.

Said Committee Amendment to **HB 72** is as follows:

Amend printed copy of House Bill 72 on page 10, by:

inserting between lines 25 and 26 the following:

The board of trustees in keeping with their responsibilities as trustees and wherever feasible shall give priority to the investment of funds in obligations calculated to improve the industrial development and enhance the economic welfare of the Commonwealth.

And, on page 14 between lines 4 and 5 by inserting the following:

(n) Obligations of the Kentucky Industrial Development Finance Authority.

And on page 11, by:

inserting between lines 10 and 11 the following:

The board of trustees wherever feasible shall give emphasis to the investment of funds in obligations calculated to improve the industrial development and enhance the economic welfare of the Commonwealth.

And on page 14, between lines 17 and 18 by inserting the following:

(n) Obligations of the Kentucky Industrial Development Finance Authority.

SB 169, AN ACT regulating the practice of surveying.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. (1) "Board" means the State Board of Registration for Professional Land Surveyors.

(2) "Surveyor" means an individual licensed and registered under the laws of this Commonwealth to engage in the practice of surveying.

(3) "Practice of Surveying" means the practice by a person who makes surveys for the determination of area, and for the establishment or reestablishment of land boundaries and the subdivision and the plotting of land, and who makes surveys for the establishment of lines.

Section 2. In order to safeguard property and to promote the general welfare, it is unlawful for any person to engage, or to offer to engage in the practice of surveying, unless he is licensed and registered under the laws of this Commonwealth as a surveyor. It is unlawful for any person to use in connection with his name or to otherwise assume, use or advertise any title or description tending to convey the impression that he is a professional surveyor, or that he is engaged in the practice of surveying unless such person is licensed and registered with the board.

Section 3. Section 2 shall not apply to:

(1) The engaging in surveying as a pupil of or under the direction of a licensed surveyor, if such practice does not include responsible charge of design or supervision as a principal.

(2) The practice of officers and employes of the United States Government while engaged in surveying for the Government.

(3) The practice of any elective officer of this state or any political subdivision of this state while carrying out the duties of the office to which he was elected, but shall apply while he is engaging in the practice of surveying for any purpose other than carrying out the duties of the office to which he was elected.

Section 4. Compliance with the requirements of subsections (1) or (2) of this section shall qualify an applicant for a license:

(1) Graduation in engineering from an approved institution or college having a civil engineering course of not less than four years, and a specific record of an additional one or more years experience in surveying under the supervision of a professional engineer or surveyor of a character indicating that the applicant is competent to assume responsible charge of the practice of surveying. A person may be licensed under this subdivision without examination.

(2) Two or more years' active experience in surveying work under the supervision of a professional engineer or surveyor of a character indicating that the applicant is competent to assume responsible charge of the work involved in the practice of surveying and successfully passing a written examination prescribed by the board in surveying subjects.

Section 5. No person shall be eligible for a license unless he is of good character and reputation, nor shall any person be eligible if he has been convicted of any felony or has at any time been proven mentally incompetent.

Section 6. No company shall be licensed. Admission to practice shall be determined upon the basis of individual, personal qualifications.

Section 7. Applications for licenses shall be on forms prescribed and furnished by the board, shall contain statements made under oath, showing the applicant's education and a detailed summary of his technical work, and shall contain not less than five references, of which at least one shall be from engineers or surveyors having personal knowledge of the applicant's surveying experience.

Section 8. (1) Examinations shall be held at times and places determined by the board. If examinations are required on such fundamental surveying subjects as are ordinarily given in college curricula the applicant may take that part of the professional examination prior to his completion of the requisite years of experience in surveying. Satisfactory passage of that portion of the professional examination by the applicant shall constitute a credit for ten years.

(2) The scope of the examination and the methods of procedure shall be prescribed by the board.

Section 9. An applicant failing an examination may apply for reexamination after six months and shall be reexamined without payment of any additional fee. Reexaminations after the first reexamination shall be granted upon payment of a fee determined by the board.

Section 10. The license fee for surveyors shall not exceed twenty-five dollars. Of this amount, a sum not exceeding fifteen dollars shall accompany the application, the remainder to be paid at the time or times determined by the board. If the board refuses to issue a license to any applicant the initial fee deposited shall be retained as an application fee.

Section 11. The board shall issue a license upon payment of a license fee required by Section 9 to any applicant who, in its opinion, has satisfactorily complied with Sections 4, 5 and 7.

Section 12. (1) The license shall authorize the practice of surveying.

(2) The license certificate shall show the full name of the licensee, shall have a serial number, and shall be signed by the chairman and the secretary-treasurer of the board, under the seal of the board.

Section 13. The issuance of a license by the board shall be prima facie evidence that the person named in the license certificate is entitled to all the rights and privileges of a licensed surveyor, as long as the license remains unrevoked or unexpired.

Section 14. Every license shall expire on the last day of June of the fourth year following its issuance or renewal.

Section 15. (1) The secretary-treasurer of the board shall notify every licensee of the date of the expiration of his license and the amount of the fee required for its four-year renewal. Such notice shall be mailed at least one month in advance of the expiration date. Renewals may be effected at any time during June by the payment of a fee not exceeding ten dollars. The failure of any licensee to renew his license every fourth year in June shall not deprive him of the right of renewal, but the fee to be paid for the renewal of a license after June shall be increased ten percent for each month or fraction of a month that payment of renewal is delayed. But the maximum fee for delayed renewal shall not exceed twice the normal renewal fee. Any person who fails to renew his license within one year after expiration shall furnish the board with satisfactory evidence that he is of good character and reputation and has continued to uphold the ethics of the profession.

(2) All persons who are required to pay renewal fees to the board as licensed surveyors shall not be required to pay such fees during the time such persons are actively serving in the Armed Forces of the United States. Any person who has previously paid any renewal fee covering a period during which he was actively serving in the Armed Forces of the United States shall, upon filing with the board a copy of his discharge, be granted a renewal license without the payment of any fee. The free renewal shall be for as many license years as were served by the licensee in the Armed Forces and which were covered in whole or in part by the previous payment of a renewal fee.

Section 16. A new license certificate may be issued, subject to the rules of the board, to replace any certificate lost, destroyed or mutilated. A charge not exceeding three dollars shall be made for issuance.

Section 17. The board may revoke the license of any person who is found guilty of:

(1) The practice of any fraud or deceit in obtaining a license; or

(2) Any gross negligence, incompetence or misconduct in the practice of surveying as a licensed surveyor.

Section 18. Any person may prefer charges of fraud, deceit, gross negligence, incompetence or misconduct against any licensee.

The charges shall be in writing and shall be sworn to by the person making them. They shall be filed with the secretary-treasurer of the board.

Section 19. (1) All charges, unless dismissed by the board as unfounded or trivial, shall be heard by the board within three months after the date on which they are preferred. The time and place of the hearing shall be fixed by the board, and a copy of the charges, together with a notice of the time and place of hearing, shall be personally served on or mailed to the last known address of the licensee at least thirty days before the date fixed for the hearing.

(2) At any hearing, the accused may appear personally and by counsel, cross-examine witnesses appearing against him and produce evidence and witnesses in his own defense. If, after the hearing, three or more members of the board vote in favor of finding the accused guilty, the board shall revoke his license.

Section 20. Any person who feels aggrieved by any action of the board in refusing or revoking his license may appeal to the Franklin circuit court. After full hearing, that court shall sustain or reverse the action of the board.

Section 21. The board, subject to its rules, may reissue a license certificate to any person whose license has been revoked.

Section 22. There is created within the Department of Agriculture a State Board of Registration for Professional Land Surveyors which shall consist of five appointed members and the Commissioner of Agriculture, who shall be an ex officio member of the board.

(2) The Governor shall appoint one member of the board for a term of one year, one for a term of two years, one for a term of three years and two for a term of four years, or until their successors are appointed and qualified. At the expiration of their respective terms of office they, or their successors shall be appointed for terms of four years each. Every vacancy shall be filled for the unexpired term by appointment by the Governor.

(3) Every member of the board shall receive a certificate of his appointment from the Governor.

(4) Every member shall, before beginning his term of office, file with the Secretary of State his written oath for the faithful discharge of his official duty.

Section 23. Each member of the board shall be a citizen of the United States and shall have been a resident of this state for five years. He shall have been engaged in the practice of surveying for at least five years and shall have been in responsible charge of surveying work or responsible charge of teaching surveying for at least five years. At no time shall more than two members whose qualifications are based on responsible charge of teaching surveying be appointed to the board. All members of the board shall be licensed surveyors.

Section 24. (1) Every year the board shall elect a chairman, a vice-chairman and a secretary-treasurer.

Section 25. (1) Each member of the board shall receive not more than ten dollars per day when actually attending to the work of the board or any of its committees and for the time spent in necessary travel. He shall also be reimbursed for all actual traveling, incidental and clerical expenses necessarily incurred in carrying out this chapter.

(2) The secretary-treasurer shall receive a salary determined by the board in addition to the compensation and expenses provided for in subsection (1) of this section.

Section 26. (1) The board shall hold at least two regular meetings each year. Special meetings shall be held whenever the bylaws provide. Notice of all meetings shall be given in the manner provided by the bylaws.

(2) Three members shall constitute a quorum, but action shall not be considered taken upon any question unless at least three votes are in accord.

Section 27. (1) The board shall:

(a) Administer this chapter.

(b) Adopt an official seal.

(c) Provide suitable office quarters at its own expense.

(2) The board may:

(a) Adopt and amend all bylaws and rules of procedure, consistent with the Constitution and laws of the state, and reasonably necessary for the proper performance of its duties and the regulation of the proceedings before it.

(b) Employ any clerical or other assistants necessary for the proper performance of its work.

(c) Employ any legal assistants that it considers necessary.

(d) Make expenditures for any purpose that it considers reasonably necessary for the proper performance of its duties.

Section 28. The board shall keep a record of its proceedings and a register of all applications for licenses. The register shall state:

(1) The name, age and residence of each applicant;

(2) The date of the application;

(3) The place of business of the applicant;

(4) His educational and other qualifications;

(5) Whether or not an examination was required;

(6) Whether the applicant was rejected;

(7) Whether a license was granted;

(8) The date of the action of the board; and

(9) Any other information that the board considers necessary.

Section 29. The board shall, on June 30 of each year, submit to the Governor a report of its transactions during the preceding year, and a complete statement of its receipts and expenditures, attested by affidavits of its chairman and secretary-treasurer.

Section 30. (1) In carrying this chapter into effect the board, under the hand of its chairman and under its seal, may, in cases involving the revocation of a license or practicing or offering to practice without a license, subpoena witnesses and compel their attendance, and require the production of books, papers and documents. Any member may administer oaths to witnesses appearing before the board.

(2) If any person refuses to obey any subpoena so issued, or refuses to testify or produce any books, papers or documents, the board may present its petition to any authority having jurisdiction, setting forth the facts. That authority shall, in a proper case, issue its subpoena to the person, requiring him to attend and testify or produce books, papers and documents considered necessary and pertinent by the board.

Section 31. The secretary-treasurer of the board shall:

(1) Receive and account for all money collected under this chapter and pay it into the State Treasury.

(2) Publish, during July of each year, a roster showing the names and places of business of all licensed surveyors. Copies of the roster shall be mailed to each licensed surveyor, filed with the Secretary of State and furnished to the public upon request.

Section 32. Each licensee shall, when he is licensed, obtain a seal of the design authorized by the board, bearing his name and the words, "Registered Land Surveyor". Plans, specifications, plats and reports approved by a licensee shall be stamped with the seal when filed with public authorities, during the life of the license, but no person shall stamp or seal any document with the seal after the license has expired or has been revoked, unless it has been renewed or reissued.

Section 33. (1) No person shall:

(a) Present or attempt to use as his own the license or seal of another.

(b) Give any false or forged evidence to the board or to any member of the board in obtaining a license.

(c) Falsely impersonate any other licensee.

(d) Attempt to use an expired or revoked license.

(e) Furnish free surveying services as a part of any contract so drawn as to defeat the spirit of this chapter.

(2) The board, or persons designated by it, may prefer charges for violations of any provision of subsection (1) of this section in any circuit court.

Section 34. (1) No person not licensed under this chapter shall avoid or attempt to avoid this chapter by having a representative or employe seek surveying work in his behalf.

(2) No person shall act as a representative or employe in the type of activity prohibited by subsection (1).

Section 35. Any person who has engaged in the practice of surveying for a period of five years prior to the effective date of this Act shall be licensed without examination.

Section 36. Any person who violates any provision of this chapter shall be fined not less than one hundred dollars nor more than five hundred dollars, or be imprisoned not more than three months, or both.

Said Committee Amendment to **SB 169** is as follows:

Amend printed copy of Senate Bill 169 on page 2, line 22, by:

inserting between the words "in" and "engineering" the word "civil"

and on page 11, line 19, by deleting the "." and inserting the following:

"upon application made within one year after the effective date of this Act."

HB 131, AN ACT relating to riverports.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. As used in this Act, unless the context otherwise requires:

(1) "Riverport authority" or "authority" means an authority established as provided in this Act;

(2) "Riverport facilities" includes land, wharves, landings, buildings, equipment, and other improvements and appurtenances necessary or proper for the establishment and maintenance of riverports;

(3) "Governmental units" means any city or the combination of any two or more cities, any county or combination of two or more counties, or any city or cities acting jointly with any county or counties;

(4) "Person" means any individual, firm partnership, corporation, company, association, joint stock association, or body politic, and includes any trustee, receiver, assignee, or other similar representative thereof.

Section 2. (1) Any governmental unit by act of its legislative body may establish a nonpartisan riverport authority to be composed of six members.

(2) The authority shall be a body politic and corporate with the usual corporate attributes, and in its corporate name may sue and be sued, contract and be contracted with and do all things reasonable or necessary to affectively carry out the duties prescribed by this Act.

(3) The members of the authority shall be appointed as follows:

(a) If the authority is established by a city, such member shall be appointed by the mayor of the city;

(b) If the authority is established by a county, such member shall be appointed by the county judge;

(c) If the authority is established as a joint city-county riverport authority, three members shall be appointed by the mayor and three members by the county judge;

(d) If a combination of cities and/or counties establishes a joint riverport authority, the mayors and/or county judges involved shall jointly choose six members, and shall jointly choose successors.

(4) Members of the authority shall serve for a term of four years each, and until their successors are appointed and qualified, provided, however, that initial appointments shall be made so that two members are appointed for two years, two members for three years and two members for four years. Upon expiration of these staggered terms, successors shall be appointed for a term of four years.

(5) Members of the authority shall serve without compensation but shall be reimbursed for any actual and necessary expenses incurred by them in the conduct of the affairs of the authority. The authority shall, upon the appointment of its members, organize and elect officers. The authority shall choose a chairman and vice-chairman

who shall serve for terms of one year. The authority may fix a salary for the secretary-treasurer, and the secretary-treasurer shall execute an official bond to be set and approved by the authority, and the cost thereof shall be paid by the authority.

(6) The authority may employ necessary counsel, agents and employees to carry out its work and functions, and prescribe such rules and regulations as it deems necessary.

(7) The secretary-treasurer shall keep the minutes of all meetings of the authority and shall also keep a set of books showing the receipts and expenditures of the authority. He shall preserve on file duplicate vouchers for all expenditures and shall present to the authority, upon request, complete reports of all financial transactions and the financial condition of the authority. Such books and vouchers shall at all times be subject to examination by the legislative body or bodies by whom the authority was created. He shall transmit at least once annually a detailed report of all acts and doings of the authority to the legislative body or bodies by whom the authority was created.

(8) In the event that joint riverport authority is created by cities and/or counties, and thereafter a city or cities or county or counties desire to withdraw from participation, then the remaining participants may jointly choose a successor member or members of the authority. No such withdrawing city or cities or county or counties shall be entitled to the return of any money or property advanced such authority.

(9) A quorum for the transacting of the business of the authority shall consist of four members. Meetings of the authority may be called by the chairman or by four members. In case of tie voting by the authority, the issue shall be deemed to have failed passage.

(10) A riverport authority member may be replaced by the appointing authority upon a showing to such appointing authority of misconduct as a riverport authority member or upon conviction of a felony. No riverport authority member shall hold any official office with the appointing authority.

Section 3. (1) The purpose of the authority shall be to establish, maintain, operate and expend necessary and proper riverport and river navigation facilities. It shall have the duty and such powers as may be necessary or desirable to promote and develop navigation, including river transportation, riverports and riverport facilities.

(2) The authority shall establish and fix reasonable rates, charges and fees for the use of the riverport facilities which shall be published in a newspaper of general circulation in the county in which the riverport is located. In fixing such rates, charges or fees the authority may take into consideration, among other factors, the total capital investment of the authority, the revenue needed properly to maintain such facilities, the revenue needed properly to expand the riverport

and its facilities, the portion of the facilities utilized by the licensee or contracting party and its customers and the volume and type of business conducted. Any party aggrieved by the rates, charges or fees may appeal from the action of the authority to the circuit court of the county within which the authority operates, within ninety days from the date that the authority finally publishes such rates, charges or fees and gives notice of same to the contracting party or licensee. The circuit court may hear evidence and determine whether or not the rates, charges or fees are, or are not, reasonable in amount. Appeal from the judgment of the circuit court may be prosecuted as any other civil appeal.

(3) The authority shall also have power, from time to time, to fix rates, charges or fees by contract, or by publishing general rates, charges or fees for commercial vendors, concessionaries or other persons for the use or occupancy of riverport facilities under such terms and conditions as it may deem to be in the best interest of maintaining, operating or expending necessary riverport facilities, and the public use thereof.

(4) The authority may acquire by contract, lease, purchase, gift, condemnation or otherwise any real or personal property, or rights therein, necessary or suitable for establishing, operation or expanding riverports and water navigation facilities. The authority may erect, equip, operate and maintain on such property buildings and equipment necessary and proper for riverport and water navigation facilities. The authority may dispose of any real or personal property, or rights therein, which, in the opinion of the authority are no longer needed for operating or expanding the riverport or water navigation facilities.

(5) The authority may by resolution, reciting that the property is needed for riverports or water navigation purposes, including spoilage areas for the disposal of materials dredged from river bottoms in an effort to improve the navigability of the river at that point, direct the condemnation of any property. The procedure for condemnation shall conform to the procedure set out in KRS 416.120.

Section 4. In order to provide money for the purchase of property necessary for the establishment or expansion of riverports and to construct, equip and maintain facilities necessary or suitable for riverport purposes, the legislative body of any governmental unit creating the riverport authority under this Act may make an annual appropriation from its general fund; or such governmental unit may make an annual levy to collect a tax on taxable property situated in the governmental unit for such riverport development. Any appropriation shall be made by the legislative body in such amounts, in such proportion and upon such terms as the legislative body may determine. All funds derived from such appropriation or tax shall be turned over to the riverport authority for the purpose of carrying out the duties and powers of the authority.

Section 5. The authority may borrow money on its own credit in anticipation of revenue to be derived from taxes, appropriations or other income. For such purposes the authority may pledge the taxes, appropriations or income anticipated. The authority may pledge the riverport and the riverport facilities as security for moneys borrowed.

Section 6. (1) The authority is authorized to defray the cost of acquiring any land or riverport facilities through the issuance of revenue bonds, and for that purpose the authority shall have all the powers and duties that are granted to or imposed upon governmental units and the legislative bodies thereof.

(2) The authority may, as an alternative method and in addition to all other methods provided by law, acquire, construct, maintain, add to and improve riverports and riverport facilities and issue revenue bonds in connection therewith under the terms and provisions of KRS Chapter 58 and under said law the term "governmental agency" means the authority and the term "public project" means riverports and riverport facilities.

Section 7. The authority may contract with any person or governmental agency for the use of the riverport and riverport facilities. Such contract shall not prevent, restrict or hamper the general use of the riverport by the public.

(2) All unpledged or surplus revenue derived from the use of the riverport and the riverport facilities shall be first applied to the maintenance of the riverport and the riverport facilities. A governmental unit may expend funds for this purpose out of its general funds or any other available funds.

Section 8. The title to all property acquired by the authority shall vest in the authority. All property acquired for the establishment and maintenance of a riverport or riverport facilities shall be exempt from taxation to the same extent as other property used for public purposes. All fees charged by the authority or collected by the authority for the admission to or use of the riverport or its facilities shall also be exempt from taxation.

Section 9. The acquisition of any lands for the purpose of establishing riverports or riverport facilities; the acquisition, establishment, construction, enlargement, improvement, maintenance, equipping and operation of riverports and riverport facilities, and the exercise of any other powers granted to riverport authorities in this Act, are hereby declared to be public and governmental functions, exercised for a public purpose, and matters of public necessity, and such lands and other property, easements and privileges acquired and used by such riverport authorities in the manner and for the purposes enumerated in this Act shall and are hereby declared to be acquired and used for public and governmental purposes and as a matter of public necessity.

Section 10. Any riverport authority created pursuant to this Act may indemnify the United States against any claims for damages, and any damage, that may result by overflow of the river from its being improved by the United States.

Section 11. (1) Any riverport authority created pursuant to this Act may make commitments to the United States to provide certain specific minimum facilities and to provide spoilage areas when such commitments are necessary to obtain the assistance of the United States in improving the navigability of any river.

(2) Any such commitments made pursuant to this section shall be with the approval of the appointing authority.

Committee on Judiciary reported **SB 168, SB 158, SB 92, SB 82, SB 81, SB 35,** with Committee Amendment, **SB 9,** with Committee Amendment, with the expression of opinion that same should pass.

Read at length for the first time and ordered placed in the Calendar.

SB 168, AN ACT relating to appeals in criminal cases.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 21.140 of the Kentucky Revised Statutes is amended to read as follows:

(1) A defendant may appeal as a matter of right to the Court of Appeals from a final judgment of the circuit court imposing a sentence of confinement or imprisonment of twelve months or more.

(2) The Court of Appeals may grant an appeal on a motion by a defendant from a final judgment of the circuit court imposing a sentence of confinement of less than twelve months or a fine or both. The court may also grant an appeal on a motion by a defendant from a final judgment of a county judge on a prosecution transferred to the county judge in accordance with KRS 23.145.

(3) An appeal may be taken to the Court of Appeals by the Commonwealth from an adverse decision or ruling of the circuit judge and such an appeal shall not suspend the proceedings in the case. *An appeal by the Commonwealth shall be taken in the manner provided in the Rules of Criminal Procedure except that the record on appeal shall be transmitted by the clerk of the circuit court to the Attorney General. If the Attorney General is satisfied, after inspecting the rec-*

ord, that error has been committed to the prejudice of the Commonwealth, upon which it is important to the correct and uniform administration of the law that the Court of Appeals should decide, he may deliver the record to the Clerk of the Court of Appeals within the time prescribed by the Rules of Criminal Procedure.

Section 2. Section 23.032 of the Kentucky Revised Statutes is amended to read as follows:

(1) The defendant may appeal from a judgment of a county, quarterly, justice's or police court imposing a fine or confinement, or both, to the circuit court of the county in which the judgment was rendered.

(2) The Commonwealth or city shall have no right of appeal to the circuit court from judgments of courts of inferior jurisdiction except *that a city may appeal* where the validity of an ordinance is in issue. *After a decision has been rendered in the circuit court on the city's appeal either the city or the defendant may appeal from the circuit court to the Court of Appeals.*

SB 158, AN ACT relating to limitations of actions.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

KRS 413.120 is amended to read:

Section 1. The following actions shall be commenced within five years after the cause of action accrued:

(1) An action upon a contract not in writing, express or implied.

(2) An action upon a liability created by statute, when no other time is fixed by the statute creating the liability.

(3) An action for a penalty or forfeiture when no time is fixed by the statute prescribing it.

(4) An action for trespass on real or personal property.

(5) An action for the profits of or damages for withholding real or personal property.

(6) An action for the taking, detaining or injuring personal property, including an action for specific recovery.

(7) An action for an injury to the rights of the plaintiff, not arising on contract and not otherwise enumerated.

(8) An action upon a bill of exchange, check, draft or order, or any endorsement thereof, or upon a promissory note, placed upon the footing of a bill of exchange.

(9) An action to enforce the liability of a steamboat or other vessel.

(10) An action upon a merchant's account for goods sold and delivered, or any article charged in such store account.

(11) An action upon an account concerning the trade of merchandise, between merchant and merchant or their agents.

(12) An action for relief or damages on the ground of fraud or mistake.

(13) An action to enforce the liability of bail.

(14) An action for personal injuries suffered by any person against the builder of a home or other improvements. This cause of action shall be deemed to accrue at the time of original occupancy of the improvements which the builder caused to be erected.

SB 92, AN ACT relating to the rights of an arrested person.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

A new section of the Code of the Kentucky Revised Statutes is created to read as follows:

(1) The officer or other person in charge of a police station, jail, or other place of confinement to which an arrested person is taken shall immediately permit the arrested person to communicate by telephone or by the most expeditious manner, if no telephone is available, with a relative, friend, or an attorney.

(2) If the arrested person is unable, because of drunkedness, illness, or any other reason, to communicate with any one, the officer or other person in charge of the police station, jail, or other place of confinement shall immediately attempt to learn the identity of the arrested person; and shall, from this information, immediately notify, if possible, the arrested person's relatives or friends of his arrest and detention.

(3) Any attorney-at-law shall, at the request of the arrested person or of some one acting in his behalf, be permitted to visit the arrested person.

(4) Violation of any provision of this section is punishable, upon conviction, by a fine of not more than $500.

SB 82, AN ACT relating to punishment on second and third conviction of felony.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 431.190 of the Kentucky Revised Statutes is amended to read as follows:

Any person convicted a second time of felony shall be confined in the penitentiary not less than double the time of the sentence under the first conviction; if convicted a third time of felony, he shall be confined in the penitentiary during his life. Judgment in such cases shall not be given for the increased penalty unless the jury finds, from the record and other competent evidence, the fact of former convictions for felony committed by the prisoner, in or out of this state. *However, nothing in this section or in the Rules of Criminal Procedure shall render it permissible for the fact of former conviction to be made known to the jury unless and until the jury has rendered a verdict of guilty on the pending charge; but after a verdict of guilty has been rendered on the pending charge, that portion of the indictment which relates to former conviction shall be read to the same jury, which shall then hear evidence relating thereto and shall render a second and separate verdict as to whether judgment shall be given for the increased penalty provided by this section.*

SB 81, AN ACT relating to attorneys and the practice of law.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 30.090 is amended to read:

A nonresident attorney in good standing may appear and practice in a case in which he is employed *if the state in which he resides and practices grants reciprocal privileges to Kentucky attorneys in good standing, and the nonresident attorney is associated in the case with a member of the Kentucky State Bar Association.*

Section 2. KRS 30.170 is amended to read:

(1) The Court of Appeals shall adopt and promulgate rules:

(a) Defining the practice of law;

(b) Prescribing a code of ethics governing the professional conduct of attorneys and the practice of law;

(c) Establishing practice and procedure for disciplining, suspending and disbarring attorneys;

(d) Organizing and governing a Bar Association of the attorneys of the state to act as an administrative agency of the Court of Appeals for the purpose of enforcing such rules as are adopted and promulgated by the court under this section; providing for the government of the State Bar as a part of the judicial department of the state government, and for such divisions thereof as the Court of Appeals determines; requiring all persons practicing law in this state to be members in good standing of the State Bar; and fixing the form of its organization and operation;

(e) Fixing fees upon recommendation of the Board of Bar Commissioners to be paid for the purpose of administering this section and the rules adopted and promulgated under it, and for the collection and disbursement of such fees.

(2) The rules of court adopted and promulgated under this section shall supersede all laws or parts of law in conflict therewith, to the extent of the conflict.

(3) No rule adopted and promulgated under this section [shall prevent a person not holding himself out as a practicing attorney from writing a deed, mortgage or will, or] prevents a person from drawing any instrument to which he is a party.

Section 3. No state administrative tribunal, agency, department or instrumentality shall permit any person, not an attorney at law licensed to practice in this state, to appear before it in a representative capacity, in connection with any matter involving interpretation of any law or regulation having the force of law. No provision of this Act prevents a person from representing himself before the tribunal, agency, department or instrumentality.

Section 4. KRS 30.990 is amended to read:

(1) Any person who violates any of the provisions of KRS 30.010 shall be fined not less than *fifty* [twenty-five] dollars nor more than *five* [two] hundred dollars for each offense.

(2) Any person who violates any of the provisions of KRS 30.130 or of subsection (2) of KRS 30.140 shall be fined not less than twenty-five dollars nor more than five hundred dollars for each offense.

(3) Any county judge who violates any of the provisions of KRS 30.150 shall forfeit his office.

(4) Any person who violates any of the provisions of subsection (1) of KRS 30.160 shall be fined not less than five hundred dollars.

(5) Any person who violates any of the provisions of KRS 30.120 or of subsection (1) of KRS 30.140 shall be fined not less than two hundred dollars nor more than five hundred dollars for each offense.

Section 5. Every state officer or employe who violates Section 3 of this Act shall, upon conviction, be fined not less than fifty dollars nor more than two hundred dollars, and each violation constitutes a separate offense.

SB 35, AN ACT relating to appointment of Assistant Commonwealth's Attorneys in judicial districts composed of only one county.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. In any judicial district composed of only one county, and having a population of less than 200,000, the Commonwealth's Attorney may appoint an assistant Commonwealth's Attorney for a term of four years subject to removal at any time by the Commonwealth's Attorney. He shall receive an annual salary of not less than $4,000, nor more than $6,000, to be fixed by the fiscal court and paid out of the county levy in equal monthly installments.

Section 2. The qualifications and duties of such assistant Commonwealth's Attorney shall be the same as those set forth in KRS 69.080.

Section 3. Whereas it is necessary in the interest of securing and strengthening the effective and fair administration of justice in the criminal divisions of circuit courts in the Commonwealth, an emergency is declared to exist and this Act shall become effective upon its passage and approval by the Governor.

Said Committee Amendment to **SB 35** is as follows:
Amend printed copy of Senate Bill 35 on page 1, line 3, by:
deleting the following:
"in lieu of a district detective".

SB 9, AN ACT relating to appointment and compensation of bailiffs.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. The judges of circuit courts of continuous session may appoint a bailiff, who shall be classified as a deputy sheriff. The compensation of the bailiff shall be fixed by an order of the circuit court and signed by a majority of the judges thereof. His salary shall be paid monthly out of the fund of the sheriff of the county of which the circuit district is composed.

Said Committee Amendment to **SB 9** is as follows:
Amend printed copy of Senate Bill 9 on page 1, line 4, by:
deleting the period "." and inserting thereafter the following:
", provided, however, said compensation shall not exceed $7.00 per day.".

Committee on Transportation and Highways reported **HB 161**, **SB 90**, with Committee Substitute, **SB 91** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 161, AN ACT relating to owner or tenant relocation required by road construction.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. As a part of the cost of construction of a road, the Department of Highways may compensate resident owners or tenants for their reasonable and necessary moving expenses caused by their displacement from real property acquired for such road project. Relocation payments shall be subject to such rules and regulations the Commissioner of Highways is hereby authorized to prescribe, and payments shall not exceed $200 in the case of an individual or family or $3,000 in the case of a business concern, which may include the operation of a farm, a nonprofit organization, and other activities which the Department of Highways may by regulation define as a business concern. In the case of a business concern, the allowable expenses for transportation under this section shall not exceed the cost of moving 50 miles from the point from which such business concern is being displaced. Such rules and regulations may include provisions authorizing payments made to individuals and families of fixed amounts, not to exceed $200, in lieu of their respective reasonable and necessary moving expenses.

Section 2. WHEREAS, there are now pending many acquisitions of property whose owners would be denied benefits provided for in this Act, an emergency is declared to exist, and this Act shall become effective upon its passage and approval by the Governor.

SB 90, AN ACT relating to motor vehicles.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. (1) Where a motorist, who is incapable of driving, is arrested, the arresting officer shall not, without the consent of the motorist, have the motor vehicle towed away from the place of arrest; except where such vehicle is obstructing traffic and will continue to do so unless towed completely away from the scene. Any officer who violates this section shall be liable for any damages incurred as a result of the violation.

(2) Where a motorist, who is incapable of driving is arrested in a vehicle he is operating, any capable licensed operator or officer, with the motorist's consent, or any capable licensed operator who is a passenger in the vehicle at the time of the arrest, may drive the vehicle to such place as the driver or officer determines is proper for the preservation of the vehicle and in so moving the vehicle, the operator or officer is not liable for any damage to the vehicle unless the same is caused by the gross and wanton negligence of the operator or officer. This section does not relieve any person of liability for

damage resulting from his negligence, in any case in which property other than the vehicle he is operating or any person is damaged or injured.

SB 91, AN ACT relating to the enforcement of motor vehicle traffic laws.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

No police officer of this state or of any county or city shall tow away or otherwise remove or authorize the removal of any motor vehicle without the owner's or operator's consent unless (1) it is parked on a street or highway or part of a street or highway in which parking is wholly prohibited by city ordinance; or (2) it is wrecked and incapable of being moved under its own power; or (3) it is illegally parked for twenty four consecutive hours or more; or (4) it is parked on the main traveled portion of the highway or street in such manner as to obstruct traffic. Any officer who violates this section shall be liable for all damages resulting from such violation or for a reasonable attorney fee for the recovery thereof as fixed by the court.

Committee on State and County Governments reported **SB 103, SB 164**, with the expression of opinion that the same should not pass.

Committee on State and County Governments reported **SB 147, HB 132** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 147, AN ACT relating to county judges.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 453.030 is amended to read:

In a misdemeanor case before a county judge, the judge shall, if the accused is convicted, tax as costs *$7.00* [$5.50]. The judge shall each month pay into the county treasury $4.50 of each levy of costs so collected, with an itemized statement, verified by him, showing the persons from whom the costs were received. The judge shall pay *$2.50* [$1.00] of each levy of costs so collected into the state treasury in a manner prescribed by the Commissioner of Finance.

HB 132, AN ACT relating to the County Employes Retirement System.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 78.510 of the Kentucky Revised Statutes is amended to read as follows:

As used in KRS 78.510 to 78.880 unless the context otherwise required:

(1) "System" means the County Employes Retirement System;

(2) "Board" means the Board of Trustees of the system;

(3) "County" means any county *or political subdivision or instrumentality* participating in the system [in accordance with appropriate executive order, as provided in KRS 78.530, or any joint city-county agency acting as an independent entity or other independent municipal corporation except cities,] by order appropriate to its governmental structure, *as provided in KRS 78.530,* and provided the board is willing to accept such agency or corporation, *the board being hereby granted the authority to determine the eligibility of such agency to participate;*

(4) "Examiner" means the medical examiner or examiners as provided in KRS 78.510 to 78.880;

(5) "Employe" means every regular full-time appointed or elective officer or employe of a participating county. The term shall not include persons engaged as independent contractors, and seasonal, emergency, temporary and part-time workers. In case of any doubt, the board shall determine if a person is an employe within the meaning of KRS 78.510 to 78.880;

(6) "Employer" means a county, the electorate of a county, or any authority of such county having the power to appoint or elect an employe to office or employment in such county;

(7) "Member" means any employe who is included in the membership of the system;

(8) "Service" means the total of current service and prior service as defined herein;

(9) "Current service" means the number of years and completed months, expressed as a fraction of a year, of employment as an employe, on and after July 1, 1958, for which creditable compensation is paid. An employe shall be credited with one month of current service only in those months he receives compensation for at least one hundred hours of work;

(10) "Prior service" means the number of years and completed months, expressed as a fraction of a year, of employment as an employe, prior to July 1, 1958, for which creditable compensation was paid. An employe shall be credited with one month of prior service only in those months he received compensation for at least one hundred hours of work;

(11) "Beneficiary" means the estate of a member or a person entitled to receive benefits under KRS 78.510 to 78.880. *The designation of a beneficiary shall remain in full force and effect until changed*

by the member. In the event the death of a person who is designated as beneficiary precedes that of the member, then the estate of the member becomes the beneficiary;

(12) "Accumulated contributions" at any time means the sum of all amounts deducted from the compensation of a member and credited to his individual account in the members' contribution account, together with interest credited on such amounts, and any other amounts the member shall have contributed thereto, including interest credited thereon;

(13) "Creditable compensation" means all salary, wages and fees paid to the employe as a result of services performed for the employer. In cases where compensation includes maintenance and other perquisites, the board shall fix the value of that part of the compensation not paid in money;

(14) "Final compensation" of a member means the creditable compensation of the member during the five fiscal years he was paid at the highest average monthly rate of any of the last *fifteen* [ten] years of creditable compensation preceding the member's retirement date divided by the number of months of service during that five-year period multiplied by twelve. Said five years may be fractional and need not be consecutive. *In the event the number of months of service during such five-year period is less than forty-eight, one or more additional fiscal years shall be used;*

(15) "Retirement allowance" means the retirement payments to which a member is entitled;

(16) "Actuarial equivalent" means a benefit of equal value when computed upon the basis of such actuarial tables as are from time to time adopted by the board;

(17) "Normal retirement date" means the sixty-fifth birthday of a member;

(18) "Fiscal year" of the system means the twelve months from July 1 through the following June 30.

Section 2. Section 78.530 of the Kentucky Revised Statutes is amended to read as follows:

(1) Each county, *as defined in KRS 78.510,* will participate in the system by appropriate order authorizing such participation which has been entered and duly recorded in the records of the *governing body of the* county [fiscal court]. the authority to issue and properly record such order of participation being hereby granted, permits such county to participate in the system. The effective date of such participation shall be July 1 of any year following June 19, 1958.

(2) Once a county participates it shall thereafter continue to participate *except as provided in Section 3 of this Act.*

(3) In counties having a population of seventy-five thousand or more the county fiscal court, upon request of either the clerk of the county court or the sheriff of the county, shall enter an appropriate order authorizing the participation in the system, said order to be duly recorded in the records of the fiscal court. Provided, however, anything in KRS 78.510 to 78.880 to the contrary notwithstanding, the fiscal court shall not be liable for "Normal contribution" or "past service liability contribution" with reference to the county court clerk and his employes and deputies and the sheriff and his employes and deputies, and further that the "normal contribution" and "past service liability contribution" shall be considered office expenditures and shall be paid by the county court clerk and by the sheriff respectively.

(4) The order of the governing body of a county, as provided for in subsection (1) of this section, may exclude from participation in the system, hospitals established in accordance with KRS 216.010 and 216.080 and any other semi-independent agency. Each such excluded agency may participate in the system as a separate agency.

Section 3. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) In the event a participating county fails to fully comply with the provisions of KRS 78.510 to 78.880, the board shall notify said county in writing of its failure to comply and shall inform said county that such failure shall be deemed to be cause for termination of the participation of said county in the system.

(2) In not less than ninety days after the issuance of the notice in accordance with subsection (1) of this section, the board may terminate the participation of the county in the system unless the county has fully complied or has made satisfactory arrangements to comply. The board shall determine the effective date of such termination of participation.

(3) The county may appeal the decision of the board to the Franklin Circuit Court.

(4) Employes of the county who are members of the system on the effective date of termination of participation shall have the privilege of continuing in membership in the system until their county employment is terminated. Such employes shall continue to make contributions to the system in accordance with the provisions of KRS 78.610 and the county shall contribute employer contributions for such employes in accordance with KRS 78.620.

(5) Notwithstanding the provisions of subsection (4) of this section, the aggregate amount of the employer contributions during a fiscal year of a county whose participation has been terminated by the board shall be not less than the amount the system is required to pay in retirement allowances during such fiscal year to former em-

ployes of such county and the beneficiaries of said former employes. In determining the amount of retirement allowances, the Board shall allow credit for the member contributions paid by such former employes.

Section 4. Section 78.540 of the Kentucky Revised Statutes is amended to read as follows:

Membership in the system shall consist of the following:

(1) All persons who become employes of a participating county after the date such county first participates in the system; and

(2) All persons who are employes of a county on the date the county first participates in the system, either in service or on authorized leave from service, and who elect prior to the October 1 next following such county's participation, or in the case of persons on authorized leave, within 90 days of their return to active service, to become members and thereby agree to make contributions as provided in KRS 78.510 to 78.880.

(3) Notwithstanding any other provisions of this section, membership in the system shall not include those employes of a county who are members of some other State, County or Local retirement system, supported in whole or in part by public funds.

Section 5. Section 78.607 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any member of the system [on July 1, 1962, and] whose employment has previously been terminated without prejudice and who has been refunded his accumulated contributions, thereby losing service credit, may regain such credit by paying to the system the amount refunded with interest at a rate determined by the board [, provided such payment is made prior to January 1, 1963].

[(2) Any person who becomes an employe of a participating county after July 1, 1962, and whose employment has been terminated without prejudice prior to July 1, 1962, and who has been refunded his accumulated contributions, thereby losing service credit, may regain such credit by paying to the system the amount refunded with interest at a rate determined by the board, provided such payment is made within six months of re-employment.]

(2) Any former member of the system whose employment has previously been terminated without prejudice and who has been refunded his accumulated contributions, thereby losing service credit, may regain such credit by paying to the system the amount refunded with interest at a rate determined by the board, provided such former member is "an employe" of a department participating in the Kentucky Employes Retirement System and who desires to exercise reciprocal rights as provided in KRS 78.850.

(3) Effective July 1, 1962, and thereafter any employe of a participating county who did not elect membership as provided in subsection (2) of KRS 78.540 may obtain credit for prior service and for current service by paying to the system the contribution he would have paid had he elected membership with interest at the rate determined by the board and an additional sum equal to fifty percent of this amount. The payment of the fifty percent sum shall be considered as accumulated contributions of the individual member.

(4) Effective July 1, 1964, and thereafter, an employe of a participating county which did not participate in the system effective July 1, 1958, may obtain credit for current service between July 1, 1958, and the effective date of participation of his county by paying to the system the contribution he would have paid had his county participated on July 1, 1958, with interest at the rate determined by the board and an additional sum equal to fifty percent of this amount. The payment of the fifty percent sum shall be considered as accumulated contributions of the individual member.

(5) [(4)] Service credit obtained under this section shall be disallowed if a member does not obtain twelve months additional current service after the date such rights under this section have been exercised.

Section 6. Section 78.610 of the Kentucky Revised Statutes is amended to read as follows:

(1) Each member shall, commencing on the date he becomes a member, contribute for each pay period, for which he receives compensation *three and one-half* [four] percent of his creditable compensation.

(2) Each employe of a county on the date the county first participates in the system who elects to become a member subsequent to such date, but prior to the next succeeding October 1, shall make contributions which he would have made if he had elected to become a member as of the date such county first participated.

(3) The [county] treasurer, *attorney, clerk, jailer and sheriff of a participating county* shall cause to be deducted from the *"creditable compensation"* [salary or compensation] of each member for each and every payroll period subsequent to the date *the county participated in* [of the establishment of] the system, the contribution payable by such member as provided in KRS 78.510 to 78.880. *The attorney, clerk, jailer and sheriff shall promptly pay such deducted member contribution to the treasurer for forwarding to the board in accordance with KRS 78.630.*

(4) In determining the creditable compensation of a member in a payroll period, the board may consider the rate of compensation payable to such member on the first day of the payroll period as con-

tinuing throughout such payroll period, and, to facilitate the making of deductions, may allow the omission of deductions from compensation for any period less than a full payroll period if any employe was not a member on the first day of the payroll period.

(5) The deductions provided for herein shall be made notwithstanding that the minimum compensation provided by law for any member shall be reduced thereby. Every member shall be deemed to consent and agree to the deductions made as provided herein; and payment of salary or compensation less such deductions shall be a full and complete discharge of all claims for services rendered by such person during the period covered by such payment, except as to any benefits provided by KRS 78.510 to 78.880.

(6) Notwithstanding any other provisions of this section, no deduction shall be made from any member's compensation if the employer's contribution required hereunder is in default.

Section 7. Section 78.630 of the Kentucky Revised Statutes is amended to read as follows:

(1) All of the assets of the system shall be held and invested in the County Employes Retirement Fund and credited, according to the purpose for which they are held, to one of two accounts, namely, the members' contribution account, and the retirement allowance account.

(2) The treasurer of the county shall, by the tenth day of each month, forward to the board an amount equal to the aggregate amount of the members' contributions deducted during the previous month in accordance with KRS 78.610 and the aggregate amount of the employer's contributions due for the previous month in accordance with KRS 78.620.

(3) The treasurer or some other person designated by the county shall forward a record of all such contributions to the board on such forms as the board may prescribe.

(4) Delinquent contributions, with interest at the rate of six percent per year compounded annually, may be recovered by action in the Franklin Circuit Court against the county liable therefor or may at the request of the board, be deducted from any other moneys payable to such county by any department or agency of the state.

Section 8. Section 78.640 of the Kentucky Revised Statutes is amended to read as follows:

(1) The members' contribution account shall be the account to which all members' contributions and interest allowances as provided in KRS 78.510 to 78.880 shall be credited. From this account shall be paid the accumulated contributions of a member required to be returned to him upon withdrawal, or paid in the event of his death before retirement.

[(2) The county treasurer shall, at the end of each payroll period forward to the board an amount equal to the aggregate amount of the deductions made for the preceding payroll period from the salaries of all members. The county treasurer shall forward a record of all such transfers to the board.]

(2) [(3)] Each member's contribution provided for in KRS 78.610 shall be credited to the individual account of the contributing member.

(3) [(4)] Each member in active service and in vested retirement on June 30 of any year shall have his individual account of the members' contribution account credited with interest at a rate determined by the board but not less than two percentum per annum on the accumulated contributions of the member; provided, however, that interest shall accrue on any such contribution beginning at the end of the fiscal year in which each such contribution was made. Such amounts so credited shall be transferred from the retirement allowance account.

(4) [(5)] Upon the retirement of a member, his accumulated contributions shall be transferred from the members' contribution account to the retirement allowance account.

Section 9. Section 78.670 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any member in service at his normal retirement date, or subsequent thereto, *who has completed four or more years of service,* [with] at least one year of *which is* current service, may retire upon written notification to the board, made by such member, setting forth at what time the retirement is to become effective, provided that such effective date shall be after his last day of service and subsequent to the filing of such notice.

(2) Any member [who is] in service on or after his fifty-fifth birthday and *who* has completed at least fifteen years of service, at least one of which is current service [,] ; *or fourteen years of service, at least two of which are current service; or thirteen years of service, at least three of which are current service; or twelve years of service, at least four of which are current service; or eleven years of service, at least five of which are current service; or ten years of service, at least six of which are current service;* may retire upon written notification to the board, made by the member setting forth at what time the retirement is to become effective, provided that such effective date shall be after his last day of service and subsequent to the filing of such notice.

(3) Any member having left service prior to his fifty-fifth birthday after having completed at least fifteen years of service, at least

one of which is current service, may retire on or after his fifty-fifth birthday, provided that he shall not have withdrawn his accumulated contribution prior to the effective date of his retirement. The member shall file a written notification to the board setting forth at what time the retirement is to become effective; provided that such effective date shall be subsequent to the filing of such notice.

Section 10. Section 78.760 of the Kentucky Revised Statutes is amended to read as follows:

(1) Each member shall have the right to elect to have his retirement allowance payable under any one of the options set forth in this section in lieu of the retirement allowance otherwise payable to him upon retirement under any of the provisions of KRS 78.510 to 78.880. The amount of any such optional retirement allowance shall be the actuarial equivalent of the amount of such retirement allowance otherwise payable to him.

(2) Option (a). The member may elect to receive a decreased retirement allowance during his lifetime and have such retirement allowance continued after his death to *his spouse, or a dependent receiving at least one-half of his support from the member,* [another person] during the lifetime of such person. In case of such an election death benefits that might otherwise be provided under KRS 78.750 shall not be payable upon the death of the member.

(3) Option (b). The member may elect to receive a decreased retirement allowance during his lifetime and have one-half of such retirement allowance continued after his death to *his spouse, or a dependent receiving at least one-half of his support from the member,* [another person] during the lifetime of such person. In case of such an election death benefits that might otherwise be provided under KRS 78.750 shall not be payable upon the death of the member.

Section 11. Section 78.775 of the Kentucky Revised Statutes is amended to read as follows:

(1) If a member, eligible to retire on benefits payable as provided in subsections (1) or (2) of KRS 78.670, dies at any time before retirement and has on file with the board at the time of his death a written designation of a beneficiary, who is the spouse or a dependent receiving at least one-half of his support from the deceased member, then said beneficiary may elect to receive an annual benefit payable monthly which shall be equal in amount to the benefit that would have been paid had the member retired immediately prior to his date of death and elected Option (a) as provided in KRS 78.760 *or the said beneficiary may elect the actuarial equivalent payable for one hundred twenty months certain.*

(2) If a member in service with *fifteen* [twenty] or more years of service, at least one of which is current service, dies at any time

before his fifty-fifth birthday and has on file with the board at the time of his death a written designation of a beneficiary, who is the spouse or a dependent receiving at least one-half of his support from the deceased member, then said beneficiary may elect to receive *a monthly payment commencing in the month following the member's death and payable for one hundred twenty months certain. Such benefit payments shall be actuarially equivalent to the benefit the member would have been entitled to receive, based on his age, years of service and final compensation at the date of his death, had the member been eligible for retirement and had he chosen benefits payable under KRS 78.760 (2).* [on the date the member would have become fifty-five, an annual benefit payable monthly which shall be equal in amount to the benefit that would have been paid had the member retired on his fifty-fifth birthday and elected Option (a) as provided in KRS 78.760]

Section 12. Section 78.850 of the Kentucky Revised Statutes is amended to read as follows:

(1) Every member shall be deemed to consent and agree to any deduction from his compensation required by KRS 78.510 to 78.880 and to all other provisions thereof.

(2) Notwithstanding the provisions of subsection (1) of this section, the Board of Trustees is authorized to exempt, under regulations promulgated by it, those persons entering service of a participating county with [more than five years of] service credit in either [of] the Kentucky Employes Retirement System or the Teachers Retirement System who desire to remain with the system in which their service originated and who are permitted by that system so to continue. Authority for reciprocal arrangements among these three systems is recognized.

(3) Reciprocal rights provided for in subsection (2) of this section may be exercised retroactively by a member "in service" on or after July 1, 1964.

Section 13. This Act shall become effective on July 1, 1964.

Committee on Public Utilities reported **SB 70** with the expression of opinion that same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 70, AN ACT relating to sewerage and drainage.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of the Kentucky Revised Statutes is created to read as follows:

As used in KRS 76.010 to 76.220 and in this act, unless the context otherwise requires:

(1) "District" means a metropolitan sewer district authorized by KRS 76.010 to 76.220.

(2) "Board" means the board described in KRS 76.030.

(3) "District area," "within the district," "corporate limits of the district" and similar terms mean that area of a county containing a city of the first class which area was on April 1, 1964, either inside the city of the first class or served by sanitary or combined sanitary and storm water sewers which were under the immediate control and custody of the district, that area of such a county which is added to the district pursuant to KRS 76.170, and that area of such a county which may be annexed to the city of the first class except that no construction subdistrict shall be construed to be within the district area.

(4) "Construction subdistrict bonds and obligations" and like phrases mean any obligation whatsoever that has been incurred by the district because of some function or activity of a construction subdistrict. Such debts are not obligations of the district, and such debts may be paid only from monies received by the district on account of the construction subdistrict, or from the funds, if any, in the construction subdistrict reserve fund.

(5) "Construction subdistrict facilities" are all sewerage facilities within a construction subdistrict, and all sewerage facilities in a county containing a district outside the district area which

(a) are not a part of a sewer construction district organized pursuant to KRS 76.300 to 76.420 or a sanitation district organized pursuant to KRS 220.010 to 220.540 or a sewer system of a municipal corporation or a sewer system of a water district organized pursuant to KRS 74.010 to 74.416;

(b) join together two or more construction subdistricts or lead from a construction subdistrict to the district area or lead from a construction subdistrict to a disposal plant or a treatment plant outside the construction subdistrict and outside the district area.

(6) "District facilities" are all facilities of the district within the district area.

Section 2. Section 76.070 of the Kentucky Revised Statutes is amended to read as follows:

(1) When the district created under KRS 76.010 to 76.220 shall have organized, thereupon and by virtue of KRS 76.010 to 76.220, the existing sewer and drainage system and facilities of such city of the first class, together with all contracts, books, maps, plans, papers and

records, of whatever description pertaining to or relating to the design, construction, maintenance, operation, and affairs of such existing sewer and drainage system, shall be assigned, transferred, and dedicated to the use of and be in possession, and under the jurisdiction, control, and supervision, of the district under KRS 76.010 to 76.220 created, and such district is empowered to take possession thereof for its use and purposes. The district created under KRS 76.010 to 76.220 shall thereafter have complete jurisdiction, control, possession, and supervision, of such existing sewer and drainage system, and of all of the facilities of such city of the first class for the disposal of sewage and storm water, and shall continue to exercise such power so long thereafter as any bonds or liabilities of the district shall remain unpaid or shall not have been otherwise discharged. When all of the bonds issued by the district and all its obligations shall have been paid in full or shall have been otherwise discharged, the district shall nevertheless continue to function as contemplated by KRS 76.010 to 76.220 unless and until dissolved and disposition of its property and assets provided for.

(2) The same rights and powers given in this section shall apply *in the whole of the district area* [to areas outside the corporate limits of the city of the first class, which may later be embraced in the District].

(3) The board shall make and spread upon its records adequate descriptions, by map or otherwise, of the district area.

Section 3. Section 76.080 of the Kentucky Revised Statutes is amended to read as follows:

The district created under the provisions of KRS 76.010 to 76.220 is empowered:

(1) To have jurisdiction, control, possession, and supervision [,] of the existing sewer and drainage system of such city of the first class; to maintain, operate, reconstruct, and improve the same as a comprehensive sewer and drainage system; [, and] to make additions, betterments, and extensions thereto [,] within the *district* area*;* [corporate limits of such city of the first class and in areas in the county in which such city is located outside the city limits which may be embraced in the district and, until the creation of a sanitation district pursuant to KRS 76.505 to 76.585, and within the limits of the county containing such city beyond such city limits,] and to have all the rights, privileges, and jurisdiction necessary or proper for carrying such powers into execution. No enumeration of powers in KRS 76.010 to 76.220 shall operate to restrict the meaning of this general grant of power or to exclude other powers comprehended within this general grant.

(2) To prepare or cause to be prepared and to be thereafter revised and adopted, plans, designs, and estimates of costs, of a system of trunk, intercepting, connecting, lateral, and outlet sewers, storm water drains, pumping and ventilating stations, disposal and treatment plants and works, and all other appliances and structures which in the judgment of the board will provide an effective and advantageous means for [the] relieving *the district area* [such city of the first class and areas in the county in which such city is located outside the city limits which may be embraced in the district,] from inadequate sanitary and storm water drainage and from inadequate sanitary disposal and treatment of the sewage thereof, or such sections or parts of such system *of the district area* as the board may from time to time deem proper or convenient to construct, consistent with the plans and purposes of KRS 76.010 to 76.220, and is authorized and empowered to take all such steps as the board may deem proper and necessary to effect the purposes of KRS 76.010 to 76.220.

(3) To construct any additions, betterments, and extensions to the facilities of the district *in the district area* by contract or contracts, or under, through, or by means of its own officers, agents, and employes. *No construction or extensions shall be started within the city of the first class until, firstly, the city's Director of Works and, secondly, its Board of Aldermen have approved the plans. No construction or extensions shall be started in any city of less than the first class, drainage district, or other political subdivision in the district area until the governing authorities of the political subdivision have approved the plans. No construction or extension shall be started in any other part of the district area until the plans have been approved, firstly, by the county engineer and, secondly, by the fiscal court.* [Provided, however, that before any construction of new sewers or the extension of any existing sewers is begun, the plans for all such projects shall, if said project is within the corporate limits of the City of Louisville, be first submitted to the Director of Works of the City of Louisville for approval by him, and, if so approved, then to be approved by ordinance adopted by the Board of Aldermen of the City of Louisville; and if said project is outside the corporate limits of the City of Louisville, the plans therefore shall then be first approved by the County Engineer of Jefferson County, and, if approved by him, then to be approved by proper action of the Fiscal Court of Jefferson County, except that if said project is without the corporate limits of the City of Louisville but within the corporate limits of any incorporated city, drainage district, or other political sudivision within Jefferson County, then such prior approval shall be obtained from the governing authorities of any such political subdivisions or district.]

(4) To establish, construct, operate, and maintain, as a part of the sewer and drainage system of the district, sewage treatment and disposal plants and systems and all the appurtenances and appliances

thereunto belonging. Such sewage treatment and disposal plants may be located in the city, or beyond the limits of the city in the county in which the city is located, as the board may deem expedient.

(5) To acquire and hold such personal property as the board may deem necessary and proper for carrying out the corporate purposes of the district and to dispose of personal property when the district has no further need therefor.

(6) To acquire by purchase, gift, lease, or by condemnation, such real property or any interest, right, easement, or privilege therein, as the board may determine necessary, proper and convenient for the corporate purposes of the district, and to use the same so long as such corporate existence shall continue, and same is necessary or useful for the corporate purposes of the district. Condemnation proceedings may be instituted in the name of the district pursuant to a resolution of the board declaring the necessity for the taking, and the method of condemnation shall be the same as provided in KRS 416.120. When the board by resolution declares that any real property which it has acquired, or any interest therein, is no longer necessary or useful for the corporate purposes of the district, such real property and interest therein may be disposed of.

(7) To make bylaws and agreements for the management and regulation of its affairs and for the regulation of the use of property under its control and for the establishment and collection of sewer rates, rentals and charges, which sewer rates, rentals and charges, applicable within the limits of a city of the first class, shall be subject to the approval, supervision and control of the legislative body of such city as hereinafter provided.

(8) To make contracts and execute all instruments necessary or convenient in the premises.

(9) To borrow money and to issue negotiable bonds and to provide for the rights of the holders thereof.

(10) To fix and collect sewer rates, rentals, and other charges, for service rendered by the facilities of the district, which sewer rates, rentals, and other charges, applicable within the limits of a city of the first class, shall be subject to the approval, supervision and control of the legislative body of such city as hereinafter provided.

(11) To enter on any lands, waters and premises for the purpose of making surveys, and soundings and examinations.

(12) To approve or revise the plans and designs of all trunk, intercepting, connecting, lateral and outlet sewers, storm water drains, pumping and ventilating stations, disposal and treatment plants and works proposed to be constructed, altered or reconstructed by any other person or corporation, private or public, *in the whole county.*

[in any city of the first class or in areas in the county in which that city is located outside the city limits which may be embraced in the district, and, until the creation of a sanitation district pursuant to KRS 76.505 to 76.585, in all other areas of the county containing such city.] No such sewers, drains, pumping or ventilating stations, or disposal or treatment plants or works shall be constructed or reconstructed without approval by the board of the district. Any such work shall be subject to inspection and supervision of the district.

Section 4. Section 76.085 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any person or corporation, public or private, in *the county in which such district is located* [any city of the first class or in areas in the county in which such city is located outside the city limits which may be embraced in the district, or, until the creation of a sanitation district pursuant to KRS 76.505 to 76.585, in the remainder of the county containing such city] submitting for approval plans and designs of sanitary sewers *or* [and/or] storm-water drainage facilities, *or both,* to be constructed by such person or corporation, private or public, pursuant to KRS 76.080 shall file with the (metropolitan sewer) district a written application for such approval or other action upon the plans and designs submitted by such person or corporation.

(2) When the [a metropolitan sewer] district receives an application for approval of plans or designs of sanitary sewers and/or storm-water drainage facilities to be constructed by some individual or corporation, the metropolitan sewer district is authorized and empowered to examine, inspect and investigate, as seems to be advisable, the sufficiency of the facilities which the application seeks to construct, to serve the purposes intended, and to establish and make reasonable charges for such services on the basis of a schedule adjusted according to the services required to make such investigation or on any other reasonable method.

(3) When it appears to the [metropolitan sewer] district that the construction of any sanitary sewer and/or storm-water drainage facility being made by any other individual or corporation, requires inspection and supervision in order to assure the protection of public health and the proper subsequent completion of such facility for the purposes intended, the metropolitan sewer district shall include such finding in its order approving, modifying or disapproving the particular plans and projects, and shall charge such person or corporation for such inspection and supervision on the basis of the actual cost of inspection plus a reasonable additional cost of supervision.

Section 5. Section 76.090 of the Kentucky Revised Statutes is amended to read as follows:

(1) [Upon taking and assuming control of such existing sewer and drainage system the] *The* district is authorized to establish a schedule of rates, rentals, and charges, to be collected from all the real property *within the district area* served by the facilities of *the* [such] district, and to prescribe the manner in which and the time at which such rates, rentals, and charges are to be paid, and to change such schedule from time to time as the district may deem necessary, advisable or expedient. Such schedule may be based upon either, (a) the consumption of water on premises connected with such facilities, taking into consideration commercial and industrial use of water; or (b) the number and kind of plumbing fixtures connected with such facilities; or (c) the number of persons served by such facilities; or (d) may be determined by the district on any other basis or classification which the district may determine to be fair and reasonable, whether similar or dissimilar to those enumerated; or (e) any combination thereof. This schedule may include additional charges for treatment of sewage, with a surcharge where the sewage contains industrial wastes or other wastes in excess of limitations established by regulations of the district.

(2) Prior to the final adoption or modification of such schedule *for the district area,* the district shall adopt a proposed schedule and publish notice thereof once a week for three consecutive weeks in a daily newspaper published in the county having the largest circulation therein. The notice so published shall be dated as of the date of first publication thereof and shall state that the proposed or revised schedule of rates, rentals, and charges will remain open for inspection in the office of the district for thirty days from the date of said notice, and that objections thereto in writing may be filed during said period with the district by any person aggrieved thereby. The district shall examine and hear any and all such complaints, may modify the proposed schedule, and shall adopt and establish a final schedule within sixty days after the date of said notice; such schedule however shall not become final within a city of the first class, unless and until it has received the approval of the legislative body of the city of the first class by ordinance approved by the mayor; provided, however, the schedule finally adopted shall be sufficient and adequate to cover the purposes of this chapter. Such schedule shall be uniform for all property falling within the same classification, which classification may be based upon the length of time the property has been in the district *area*, the drainage area within which the property lies or any similar or dissimilar reasonable classification. The schedule so adopted and established shall thereafter be the rates, rentals and charges for the use of the facilities of the district *by users within the district area,* until changed in the manner as hereinbefore provided. Such schedule of rates, rentals, and charges shall be established and revised from time to time so as to produce aggregate revenues to the district suf-

ficient (a) for the payment of the interest on and principal of all revenue bonds and other obligations of the district *except construction subdistrict obligations and bonds;* (b) for the payment of all cost and expenses of operating and maintaining the sewer and drainage system of the district *within the district area,* including but not limited to *that portion* of the salaries, wages, and fees of all officers and employes of the district *equitably allocable to operations within or for the district area;* and (c) for the payment of all cost of renewals and replacement of such system *within the district area;* provided however, that all such expenses, salaries, wages, and fees necessary or incident to improvements for the account of which bonds are issued, may be included as a part of the cost of such improvements and paid from the proceeds and such bonds. The district may collect such sewer rates, rentals, and charges, or cause them to be collected and paid to it by such agencies as it may designate, and with whom it may make such contracts or arrangements as the district deems proper. *No monies received on account of the existence or operation of construction subdistricts shall be used for the payment of district obligations, and no other monies received by the district shall be used for the payment of construction subdistrict bonds or obligations. Except as provided in the preceding sentence the* [The] use of all monies of the district received from any and all sources is hereby limited exclusively and shall be devoted solely to the payment of all obligations of the district and board created by KRS 76.010 to 76.220, and no funds from any sources authorized by KRS 76.010 to 76.220 shall be diverted to any other purposes than those in KRS 76.010 to 76.220 set forth, *except that the district shall pay from district area revenues and equitably allocable share of the cost constructing and operating any non-district area facilities to which sewage from the district area is diverted in order to relieve district facilities from excessive sewage and costs described in section 18 of this act but otherwise paid for.*

(3) Whenever any such sewer rates, rentals or charges for services rendered shall remain unpaid for a period of thirty days after the same shall become due and payable, the district shall declare the said property, the owner thereof, and the user of said service, delinquent until such time as all service rates, rentals and charges are fully paid and may cut off the sewer connection and service. It is hereby declared to be unlawful for any delinquent to use water from any public water service or system and discharge same into a public sewer. No public water service or system shall furnish such delinquent with water to be discharged into a public sewer. The district may enter into agreement with any public water company or service providing for the discontinuance of water service to such delinquents.

Section 6. Section 76.110 of the Kentucky Revised Statutes is amended to read as follows:

(1) The district shall have the power to acquire by purchase, gift or eminent domain proceedings, the fee or such right, title, interest or easement, in such lands as may be deemed by the district necessary for any of the purposes mentioned in KRS 76.010 to 76.220 *or this act,* whether within or without the district *area or within or without a construction subdistrict and* any personal property necessary for the purpose of the district. Such lands or interest therein, or personal property may be so acquired whether or not the same are owned or held for public use by corporations, associations, or other persons having the power of eminent domain, or otherwise held or used for public purposes. But nothing in this chapter shall be construed to confer upon or recognize in the district any power to acquire by agreement, purchase or gift, or by eminent domain proceedings, any fee, right, title, interest or easement in property included within the boundaries of any sanitation district organized under KRS Chapter 220, except necessary rights of way for trunk sewers through such sanitation districts. Forthwith upon the acquisition of any such fee, right, title, interest or easement, or personal property, the same shall be and become dedicated to the uses and purposes of the district.

(2) The method of condemnation of such property shall be (a) as provided in KRS 416.120, (b) as provided in KRS 76.080 (6), or (c) as provided in KRS 416.230 to 416.310 inclusive or as hereinafter provided.

(3) When a [metropolitan sewer] district has filed a proceeding to condemn land or any interest therein or personal property, pursuant to the provisions of KRS 416.230 to 416.310, and the board of such district shall determine that the necessity for procuring possession of the property is urgent, it may pass a resolution, at the time that said condemnation is authorized or at any time thereafter for a declaration of taking, declaring that said lands are to be taken for the use of a metropolitan sewer district.

Said declaration of taking shall contain, or have annexed thereto, the following:

(a) A statement of the authority under which and, the public use for which, said lands are taken;

(b) A description of the lands taken sufficient for identification thereof;

(c) A statement of the estate or interest in said lands taken for said public use;

(d) A plat showing the lands taken.

(4) At any time after the report of the commissioners has been made, the [metropolitan sewer] district may file said declaration of taking and make a deposit with the clerk of the court of the sum of money stated in the award of the commissioners appointed. Title to

said lands in fee simple or such lesser estate as is specified in said declaration or to said personal property shall then vest in such metropolitan sewer district, and the right to just compensation for said land or interest therein or personal property shall vest in the persons entitled thereto. Said compensation shall be ascertained and awarded in said proceeding as otherwise provided in KRS 416.230 to 416.310 inclusive.

Section 7. Section 76.150 of the Kentucky Revised Statutes is amended to read as follows:

(1) Subsections (2) through (4) have no application to construction subdistrict bonds or obligations. All references to revenues, rates, rentals, charges, or collections in subsections (2) and (3) exclude those derived from or made on account of construction subdistricts. District facilities referred to in subsections (2) and (3) exclude construction subdistrict facilities.

(2) [1] The district shall have power, and it is hereby authorized from time to time, to issue its negotiable interest-bearing revenue bonds for any of its corporate purposes, and it may also, from time to time, issue its negotiable interest-bearing revenue bonds to refund any of its bonds at maturity or pursuant to redemption provisions, or at any time before maturity with the consent of the holders thereof. All such bonds, including interest thereon, shall be payable solely from and secured only by revenues of the district realized through the collection of rates, rentals, or other charges, imposed for use of the facilities of such district. Such bonds shall be authorized by resolution of the board and shall bear such date or dates mature at such time or times not exceeding forty years from their respective dates, bear interest at such rate or rates, not exceeding five percent per annum, payable semi-annually, be in such denominations and in such form, either coupon or registered, carry such registration privileges, be executed in such manner, be payable in such medium of payment at such place or places, and be subject to such terms of re-demption, with or without premium, as such resolution or resolutions may provide; provided, however, that before the issuance of any such bonds for any project within the corporate limits of any such city of the first class, the issuance thereof shall first be authorized by ordinance passed by the legislative body of such city and approved by the mayor thereof. The bonds shall be sold at public sale for such price or prices as the board shall determine, provided that the interest cost of the money received from any issue of such bonds shall not exceed five percent per annum when computed to the maturity of the bonds according to standard tables of bond values.

(3) [2] Any resolution or resolutions authorizing any bonds hereunder, may contain provisions, which shall be a part of the contract with the holders of the bonds, as to (a) pledging all or any part

of the gross or net revenues of the district to secure the payment of the bonds and interest thereon; (b) the amounts to be raised in each year by rates, rentals, and charges, and the use and disposition thereof, and of any other revenues of the district; (c) the setting aside of reserves or sinking funds and the regulation and disposition thereof; (d) limitations on the right of the district to restrict and regulate the use of its facilities; (e) limitations on the purposes to which the proceeds of sale of any issue of bonds then or thereafter to be issued may be applied; (f) limitations on the issuance of additional bonds; (g) the procedure, if any, by which the term of any contract with bondholders may be amended or abrogated, the amount of bonds the holders of which must consent thereto and the manner in which such consent may be given.

(4) [3] The bonds or other obligations of the district shall not constitute an obligation or indebtedness of the city or of the county and it shall be plainly stated on the face of each bond of the district that it has been issued under the provisions of KRS 76.010 to 76.220, and that it does not constitute an indebtedness of the city or of the county. All bonds authorized hereunder may be issued without a vote of the voters and without any other proceedings or happenings of any other conditions or things than those proceedings, conditions and things which are specified and required by KRS 76.010 to 76.220. Such bonds shall be signed in the name of the district by the chairman or vice-chairman of the board, attested by the signature of the secretary-treasurer, with corporate seal of the district attached.

Section 8. Section 76.160 of the Kentucky Revised Statutes is amended to read as follows:

(1) Subsections (2) and (3) have no application to construction subdistrict bonds or obligations. All references to revenues, rates, rentals, charges, or collections in subsections (2) and (3) exclude those derived from or made on account of construction subdistricts. District facilities referred to in subsections (2) and (3) exclude construction subdistrict facilities.

(2) [1] In the event that the district shall default in the payment of principal of, or interest on, any of the bonds issued pursuant to KRS 76.010 to 76.220 after the said principal or interest shall become due, whether at maturity or upon call for redemption, and such default shall continue for a period of thirty days, or in the event that the district shall fail or refuse to comply with the provisions of KRS 76.010 to 76.220, or shall default in any agreement made with the holders of the bonds, the holders of twenty percent in aggregate principal amount of the bonds then outstanding, by instrument or instruments filed in the office of the county clerk of the county embracing the district and proved or acknowledged in the same manner as a deed to be recorded, may apply to a judge in the chancery branch of the circuit court of

the county, to appoint a trustee to represent all of the bondholders for the purposes herein provided. Upon such application such judge shall appoint a trustee and such trustee may, and upon written request of the holders of twenty percent in principal amount of the bonds of the district then outstanding shall, in his or its own name, (a) by mandamus or other suit, action or proceeding at law or in equity, enforce all rights of the bondholders, including but not limited to the right to require the district to collect rates, rentals, and other charges, adequate to carry out any agreement as to, or pledge of, the revenues of the district, and to require the district and its officers to carry out any other agreement with the bondholders and to perform its and their duties under KRS 76.010 to 76.220; (b) bring suit upon the bonds; (c) by action or suit in equity, require the district to account as if it were the trustee of an express trust for the bondholders; (d) by action or suit in equity, enjoin any acts or things which may be unlawful or in violation of the rights of bondholders; (e) declare all bonds due and payable, and if all defaults shall be made good then to annul such declarations and its consequences.

(3) [2] Any such trustee, whether or not all bonds have been declared due and payable, shall be entitled as of right, upon application to the judge in the chancery branch, to the appointment of a receiver, who may enter upon and take possession of the facilities of the district, or any part or parts thereof, and operate and maintain the same, and collect and receive all rentals, rates, and other charges, and other revenues, of the district, thereafter arising therefrom, in the same manner as the district and its officers might do, and shall deposit all such monies in a separate account and apply the same in such manner as such court shall direct. In any suit, action, or proceeding, by the trustee, the fees, counsel fees, and expenses of the trustee and of the receiver, if any, shall constitute disbursements taxable as costs. All costs and disbursements allowed by the court shall be a first charge on any revenue derived from the facilities of the district. Such trustee shall, in addition to the foregoing, have and possess all of the powers necessary or appropriate for the exercise of any functions specifically set forth herein or incident to the general representation of the bondholders in the enforcement and protection of their rights.

Section 9. Section 76.170 of the Kentucky Revised Statutes is amended to read as follows:

(1) The initial unit of the district embraces the area that is coterminous with the boundaries of the city of the first class [, subject to extension in the county beyond the boundaries of such city, as provided in KRS 76.010 to 76.220. Until a sanitation district is created in county pursuant to KRS 76.505 to 76.585, where such a metropolitan district has been formed to include a city of the first class, any territory annexed to such city shall thereby immediately become a part of the

district]. *The district also embraces the district area as defined in section 1 of this act. When territory which is part of a construction subdistrict is annexed to the city of the first class, that territory shall not become part of the district area during the existence of the construction subdistrict. When the existence of the construction subdistrict is wound up under section 29 of this act, the territory therein shall become a part of the district area if it is then a part of the city of the first class or whenever it is annexed by the city of the first class. When a construction subdistrict consisting of territory outside the city of the first class is wound up the board of the district shall incorporate such territory into the district area under conditions of section 29 of this Act.*

The district may *also expand the district area by constructing and extending* [construct and extend] its initial sewer and drainage system and facilities beyond the corporate limits of such city of the first class and within the county in which such city is located whenever the district and the owner or owners of real property to be served and located outside the limits of such city, by appropriate written instrument, agree as to apportionment of any and all costs of construction work, subsequent maintenance and operation appertaining thereto, and as to payments by the owner or owners of such real property, of rates, rentals and charges for the services and facilities to be thus afforded *and for that portion of the district's capital costs equitably allocable to such real property.* Thereupon such real property served becomes a part of *the district area* [and is embraced in the district]. In a like manner *and upon the same conditions,* the district may construct and extend its sewer and drainage system and facilities so as to serve all or any part of any other city or other incorporated area located in the same county, pursuant to a written agreement between the district and such other city or incorporated area approved by their respective governing boards or bodies. All such agreements referred to in this section shall be in appropriate form for recording and shall be filed of record with the county clerk as other instruments relating to transfer or creating a lien upon real estate. Any such agreements entered into by the district pursuant to this section may provide that *the district area shall include the real estate in* [the corporate boundaries of the district shall be enlarged and extended so as to include the real property of] such city or incorporated area, or part thereof, to be served pursuant to such agreement, and in such case when such instrument has been filed of record with the county clerk as aforesaid, the *district area* [corporate boundaries of the district] shall be thereby officially enlarged and extended so as to include same. [Such agreements, however, are not valid until approved by the board of the district, if there be one, created under KRS 76.505 to 76.585.]; *provided, however, the district area shall not be enlarged to include a construction subdistrict by agreement or otherwise.*

(2) The words "incorporated area" as used in this section, shall not mean or apply to any sanitation district organized under Chapter 220 of the Kentucky Revised Statutes.

(3) The provisions of this section shall not apply in cases involving annexation by a city of the first class pursuant to KRS 81.300 to 81.360.

Section 10. Section 76.173 of the Kentucky Revised Statutes is amended to read as follows:

When completed any [such] sewers or drains *described in KRS 76.171 to 76.172* shall become a part of the district area's [City's] sewer and drainage system, subject to charges for service the same as from other parts of *the* [said] system *within the district area.*

Section 11. Section 76.180 of the Kentucky Revised Statutes is amended to read as follows:

The district [created under the provisions of KRS 76.010 to 76.220] shall have power to make and promulgate all rules and regulations proper or necessary to regulate the use, operation, and maintenance of property and facilities under its control, and to carry into effect the powers granted the district by KRS 76.010 to 76.220 *and this act.* The jurisdiction of the district shall extend *outside of the district area and outside of construction subdistricts* [beyond the corporate boundaries thereof] for regulation of any sewers, drains, or water courses, which by natural flow, or otherwise, empty into or flow through any part of the district *area, a construction subdistrict,* or the district facilities, or are used by the district or flow through or are constructed in the county in which such district exists [Provided, however, that such jurisdiction beyond the corporate boundaries of the district shall cease upon the organization of a sanitation district pursuant to KRS 76.505 to 76.585.]

Section 12. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) The district may establish a construction subdistrict when twenty-five percent or more of the freeholders of land sought to be included in the construction subdistrict file their petition with the district. The petition shall describe the territory intended to be included in the construction subdistrict and the sewer and drainage conditions and facilities existing in this territory. The territory of the construction subdistrict may be noncontiguous to other territory of the district. Tenants in common, joint tenants with or without right of survivorship, and tenants by the entireties shall be deemed one freeholder or property owner.

(2) When the petition is filed with the district, said district shall give notice of the filing by publication in three issues of a newspaper

of general circulation in the county. Within thirty days after the publication, any resident or freeholder of the proposed construction subdistrict may file objections and the district shall set the case for hearing within thirty days. If the district finds that the establishment of the construction subdistrict is reasonably necessary for the public health, convenience and comfort of the residents of the subdistrict, it shall make an order establishing the construction subdistrict and designating it by name and number.

(3) If the district finds that the construction subdistrict is not necessary, it may dismiss the petition. If the district finds that any part of the proposed territory will not be benefited, it may strike such part. If the district strikes a certain portion of the area, the signature of the freeholders of that portion shall not be counted in determining whether the necessary twenty-five percent have petitioned for the creation of the subdistrict. A copy of the order of the board establishing a construction subdistrict shall be published in accordance with chapter 424 of the Kentucky Revised Statutes.

(4) An order of the district rejecting or dismissing the petition shall be deemed a final order of the district appealable to the circuit court under the procedure set forth in section 17 of this act within sixty days. Appeals to the circuit court from the order establishing a construction subdistrict or striking or refusing to strike any territory from a construction subdistrict shall be made only as provided in section 17 of this act and only after following the procedures required in section 17 of this act.

Section 13. A new section of the Kentucky Revised Statutes is created to read as follows:

The construction subdistrict shall not include the whole or any part of any incorporated city, sanitation district, sewer construction district, or that part of a water district in which the water district has exercised its power to establish sanitary sewerage facilities pursuant to KRS 74.407 to 74.416, except with the consent of the legislative or managing board of such city or district. With such consent, the property owners of such city or district will be considered as freeholders of the construction subdistrict.

Section 14. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) The board shall, before entering upon any construction work in any construction subdistrict or any contracts therefor, have an engineering survey made of the territory within the construction subdistrict and report to the district board as to plans for sewer or drainage construction or both and as to the estimated cost thereof, with recommendations as to whether or not such construction is technically and economically feasible.

(2) The district shall add to the engineering report a classification of benefit to property to permit assessment of real estate pursuant to sections 20 and 21, 31 and 36 of this act if the district seeks to finance construction under one of those sections. The district shall cause notice of the proposed assessment to be mailed by first class mail to every affected freeholder at his last known address prior to publication under subsection (1) of section 16 of this act.

Section 15. A new section of the Kentucky Revised Statutes is created to read as follows:

The report described in section 14 of this act shall be made and filed within one year of an order made under section 12 of this act which establishes the construction subdistrict or the order made under section 12 of this act shall be deemed to have been one dismissing the petition and it shall be deemed to have been dismissed at the end of the one year period.

Section 16. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) When the report described in section 14 of this act is prepared, a copy shall be filed with the secretary-treasurer of the district who shall, within forty days, cause notice of the filing of same and a notice of where the report is available for public inspection to be published in three issues of a newspaper of general circulation within the county. The notices shall state the time, date and place for a public hearing on the report. Any affected property owner may appear at the hearing. The district may appoint a hearing officer to conduct hearings, take testimony, and report the hearing to the district board.

(2) Following the hearing the district shall make and publish an order describing the construction plan in general, setting forth the assessment method adopted, if any, the parcels assessed, provisions if any for application of KRS 107.140 (d), which relates to doing equity with respect to persons paying immediately and those who may be assessed later for extensions, and any other matters the district may see fit to include in the order.

Section 17. A new section of the Kentucky Revised Statutes is created to read as follows:

Within sixty days after the final publication of an order made under section 12 of this act which dismisses a petition for creation of a construction subdistrict or within sixty days after final publication of an order made under section 16 of this act any person who would have been qualified to sign a petition described in section 12 of this act may appeal such order of the district to the circuit court for the county in which the district is located. All matters appealed from shall be tried de novo and as an equitable action. Decisions of the circuit court may be appealed to the Court of Appeals, and such appeals shall be advanced on the appellate court's docket.

Section 18. A new section of the Kentucky Revised Statutes is created to read as follows:

The district may carry out the plan itself or contract with others for construction of the sewerage facilities. The district shall incur no debts or obligations, aside from engineering study and administrative costs, on account of the construction subdistrict until an order made under section 16 of this act is final and no longer appealable.

Section 19. A new section of the Kentucky Revised Statutes is created to read as follows:

The district may adopt any combination of the financing methods for construction subdistricts authorized by sections 20 and 21, section 22, section 31, section 36, and section 37 of this act which are fair and equitable to the residents and freeholders of the construction subdistrict and which protect and preserve the rights of holders of subdistrict bonds and obligations already issued or to be issued with respect to the construction subdistrict. The method or methods adopted need not be uniform for all portions of the construction subdistrict, but may be based upon reasonable classification of the realty in the various portions.

Section 20. A new section of the Kentucky Revised Statutes is created to read as follows:

For facilities designed to serve the construction subdistrict the district may, pursuant to section 14 of this act, adopt a method of assessment of benefited property on the basis of acreage or any other equitable basis set forth in the order and notify property owner affected in accordance with subsection (1) of KRS 76.172. From that date the assessment shall constitute a lien against the property. The landowner may pay the assessment in full at any time within thirty days after notice of assessment; provided, however, that if assessments are levied in accordance with KRS 107.010 to 107.220 the assessment can not be paid in full within thirty days. Every property owner not paying the full amount of his assessment within thirty days shall be presumed to have consented to the issuing of sewer or drainage construction bonds. Liens may be recorded in any manner that any other statutory lien can be recorded.

Section 21. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) If all construction subdistrict assessments are not paid in full by thirty days after notice of assessments, the district may issue bond for the amount of the unpaid assessment, and shall give notice

that it proposes to issue bonds, giving the amount of bonds to be issued, and the time they will become payable.

(2) At the expiration of thirty days after the publication, the district may divide the unpaid assessments into not more than forty annual installments, which shall draw interest at the rate of not more than six percent per annum, payable annually, from thirty days after the date of publication. The bonds shall mature in series to correspond with the installments into which the unpaid assessments are divided, and shall draw interest at the rate of not more than six percent per annum, payable annually, and be payable at some place to be designated by the district. The bonds shall be for the exclusive use and benefit of said construction and shall designate on the face the name of the construction subdistrict and the purpose for which they were issued.

(3) The district, in dividing the unpaid assessments into installments, shall fix the time of payment, and each landowner shall pay the installments due on his land, with interest due on that installment and deferred installments, to the district on or before the time fixed by the district for the maturity of the installment.

(4) For purposes of section 27 of this act assessments described in this section shall be deemed rates, rentals, or charges. Assessments may also be enforced by civil action.

(5) Bonds issued pursuant to this section are construction subdistrict bonds and obligations and are not obligations of the district.

Section 22. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) The district is authorized and empowered to issue negotiable, interest bearing, construction subdistrict bonds which shall not be an obligation of the district; construction subdistrict revenue bonds shall be secured solely by the revenues pledged by section 24 of this act and by monies; if any, in the construction subdistrict reserve fund authorized by section 26 of this act. Construction subdistrict bonds can be issued to obtain funds for the building, installation or acquisition of construction subdistrict facilities or for refunding construction subdistrict bonds of the same construction subdistrict. Notwithstanding the foregoing two sentences construction subdistrict bonds can be served by assessments.

(2) Construction subdistrict bonds shall be authorized by resolution of the board, shall bear such date or dates, shall mature at such time or times, not exceeding forty years from their respective dates, bear interest at such rate or rates, not exceeding six percentum per annum, payable annually, or oftener, be in such form, wholly registered, registered as to principal with bearer coupon, or bearer with

coupon, carry such registration privileges, be executed in such manner, be payable in such manner, be payable in such medium of payment at such place or places, and be subject to such terms of redemption, with or without premium, as such resolution or resolutions may require. Construction subdistrict bonds shall be sold at public sale for such price or prices as the board determines, provided however, that the interest cost of the money received from any issue of construction subdistrict bonds shall not exceed six percentum per annum when computed to the maturity of the bonds according to standard tables of bond values.

(3) Any resolution or resolutions authorizing any bonds pursuant to this section may contain provisions, which shall be a part of the contract with the holders of the bonds, concerning (a) a pledge of or a security interest in the revenue derived from the construction subdistrict; (b) the amounts to be raised in each year by rates, rentals, and charges, and the use and disposition thereof; (c) the setting aside of reserves or sinking funds and the regulation and disposition thereof; (d) limitations on the right of the district to restrict and regulate the use of the subdistrict facilities; (e) limitations on the purposes to which the proceeds of sale of any issue of bonds then or thereafter to be issued with respect to the same construction subdistrict may be applied; (f) limitations on the issuance of additional bonds for the same construction subdistrict; and (g) the procedure, if any, by which the term of any contract with bondholders may be amended or be abrogated, the amount of the bonds the holders of which must give consent thereto, and the manner in which such consent may be given.

(4) Construction subdistrict bonds shall not constitute an obligation or indebtedness of the district or of any city or county, and it shall be stated plainly on the face of each construction subdistrict bond that it has been issued under the provisions of this act and that it does not constitute an obligation or indebtedness of the district or any city or county. All construction subdistrict bonds issued hereunder may be issued without vote of the voters and without any other proceedings or happenings of any other condition or things than those proceedings, conditions, and things which are specified and required by this act. Construction subdistrict bonds shall be signed in the name of the district by the Chairman or Vice-Chairman of the board, attested by the signature of the secretary-treasurer, with corporate seal of the district attached. The bonds may also be executed pursuant to KRS 61.390.

Section 23. A new section of the Kentucky Revised Statutes is created to read as follows:

If bonds have been issued for any construction subdistrict secured entirely or partially by the right to levy an assessment as provided by sections 20 to 31 of this act and such bonds are redeemed prior to maturity, bonds to refund same may be issued secured solely by the revenue of said system in the manner provided in section 22 of this act.

Section 24. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) The district is authorized to establish a schedule of rates, rentals, and charges to be collected from all real property within a construction subdistrict served by construction subdistrict facilities. This schedule shall be in addition to the charge authorized by KRS 76.090.

This schedule shall be determined for each construction subdistrict on the basis of one or more of the factors stated in subsection (1) of KRS 76.090.

(2) Before final adoption of such a schedule the district shall give notice of it once a week for three consecutive weeks in a daily newspaper published in the county containing the district which newspaper has the largest circulation. The first notice shall be dated as of the date of the first publication; that notice shall state that the proposed or revised schedule of rates, rentals, and charges will remain open for inspection in the office of the district for thirty days from the date in the notice, and that any person claiming to be aggrieved by the proposed schedule may file written objections to it with the district. The district shall examine and hear any and all such objections, may modify the proposed schedule, and shall adopt and establish a final schedule within sixty days after the date of the first notice.

(3) Such schedule shall be established and revised from time to time so as to produce revenues for the construction subdistrict sufficient

(a) for the payment of all construction subdistrict bonds and obligations except those payable from assessments,

(b) for the payment of all costs and expenses of operating and maintaining the construction subdistrict which expenses shall include, but not be limited to, an equitable portion of the wages, salaries, and fees of officers and employees of the district,

(c) for the payment to the district of an amount which represents an equitable allocation of the cost of district facilities used, directly or indirectly, by the construction subdistrict if there is such a use,

(d) to meet all or part of reasonably foreseeable future needs for trunk, main, and connecting sewers to link the construction subdistrict facilities to the district facilities or, where such linkage is not feasible, to link the construction subdistrict facilities to a treatment plants serving at least one other construction subdistrict,

(e) for the payment of an equitable portion, not to exceed twice the amount required by paragraph (b), of any amount necessary to establish and maintain a fund created by subsection (6) and

(f) for the payment of all cost of renewals and replacements of construction subdistrict facilities.

(4) Any and all portions of expenses, salaries, wages and fees necessary or incident to improvements for which bonds are issued may be paid from bond proceeds.

(5) The rates, rentals, and charges authorized by this section need not be the same for all real property within the construction subdistrict but may be based upon any reasonable classification.

(6) The district may create a fund which the district shall hold in trust to guarantee payment of construction subdistrict bonds authorized by section 22 of this act. As trustee of such fund, the district, to the extent of any payment made from it, shall have all the rights of bondholders against the construction subdistrict revenues. Bondholders' current rights shall prevail, however, over the fund's rights. The fund shall not exceed ten percent of the principal amount of the bonds outstanding under section 22 of this act. Payment from the fund shall not exceed fifteen percent of the unpaid principal amount of any bond in default.

Section 25. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) The holders in aggregate principal amount of twenty percent of any class of construction subdistrict bonds authorized by section 22 of this act may exparte move a judge of the circuit court of the county containing the construction subdistrict to appoint a trustee to represent all of the holders of the same class of bonds when the facts described in paragraph (b) of subsection (2) have occurred.

(2) The judge shall appoint a trustee (which may be corporate) upon a showing that:

(a) movants in fact are holders of twenty percent or more of the aggregate principal amount of the affected class of the bonds;

(b) movants claim that there has been a default exceeding thirty days in the payment of interest or principal on the bonds, that the district has failed to comply with the provisions of this act relating to construction subdistrict bonds, or that the district has breached a contract with the holders of the bonds; and

(c) movants have filed in the office of the county court clerk of the county containing the district an instrument in the nature of a notice of action against the district which instrument states that movants have applied to have a trustee appointed pursuant to this section and which names the affected construction subdistrict.

(3) The trustee may, or upon written request of any twenty percent in aggregate principal amount of his bondholder beneficiaries shall, file an action in his name against the district; the action shall seek all remedies, including but not limited to mandamus, prohibition, judgment against a special fund or funds, injunction, and declaratory judgment, needed to preserve and enforce the rights of the bondholders. The action shall be filed in the circuit court of the county containing the district.

(4) The rights of bondholders include, but are not limited to, the right to:

(a) require the district to collect from the construction subdistrict rates, rentals, and charges adequate to pay principal and interest on the bonds;

(b) require the district to perform all lawful agreements with the bondholders;

(c) require the district to account to the bondholders as if it were trustee of an express trust for their benefit;

(d) have the district enjoined from doing any acts or things which may be unlawful or in violation of the rights of the bondholders;

(e) have all bonds of the affected class declared due and payable.

(5) Any trustee, whether or not all bonds have been declared due and payable, shall be entitled as of right, upon application to the circuit court, to the appointment of a receiver, who may enter upon and take possession of the construction subdistrict facilities, or any part thereof, and operate and maintain the same, and collect and receive all rentals, rates, other charges, and revenues of the construction subdistrict payable after commencement of the receivership. The receiver shall deposit such monies in a separate account and apply them as the court directs. In any suit, action, or proceeding, by the trustee, the fees, counsel fees, and expenses of the trustee and of the receiver, if any, shall constitute disbursements taxable as costs. All costs and disbursements allowed by the court shall be a first charge on any revenue derived from the construction subdistrict facilities. Such trustee shall, in addition to the foregoing, have and possess all the powers necessary or appropriate for the exercise of any functions specifically set forth herein or incident to the general representation of the bondholders in the enforcement and protection of their rights.

Section 26. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) The district may issue for one or more construction subdistricts bonds to finance construction of trunk, main, or connecting sewers which, directly or indirectly, connect one or more of such con-

struction subdistricts to either the district facilities or to a treatment plant, disposal plant, or outfall sewer which also serves, directly or indirectly, at least one other construction subdistrict. Such bonds may also be used to finance construction of a treatment plant, disposal plant, or outfall sewer of the type described in the preceding sentence.

(2) Bonds issued pursuant to subsection (1) shall be construction subdistrict obligations for all construction subdistricts for which they are issued.

(3) Except as provided in this section, bonds authorized by subsection (1) shall be governed by sections 22 and 25 of this act. Such bonds shall be construction subdistricts bonds within the meaning of paragraph (a) of subsection (3) of section 24 of this act. They shall not be considered construction subdistrict bonds within the meaning of subsection (6) of section 24 of this act.

Section 27. A new section of the Kentucky Revised Statutes is created to read as follows:

The district is granted the same authority relative to the cutting off of the water supply of its delinquent users within a construction subdistrict as is contained in KRS 76.090 relative to other territory under the jurisdiction of the district. Delinquents include persons or users who have failed to make timely payment of any assessment authorized by this act or any payment required by section 24 of this act.

Section 28. A new section of the Kentucky Revised Statutes is created to read as follows:

The provisions of sections 22, 23, and 26 of this act, providing for financing with revenue bonds, shall not repeal nor reduce any existing rights or duties of the district, but shall constitute an additional and alternate method of financing.

Section 29. A new section of the Kentucky Revised Statutes is created to read as follows:

The district shall wind up the affairs of a construction subdistrict and incorporate it into the district area only when:

(1) The board finds that such action would best serve the policy of KRS 76.010 to 76.220 and this act.

(2) There is not outstanding any bonds issued pursuant to subsection (2) of section 26 of this act if the proceeds of such bond issue have been used, are being used, or will be used to construct trunk, main, or intercepting sewers which, directly or indirectly, connect the construction subdistrict to either the district facilities or to a treatment plant, disposal plant, or outlet sewer also serving, directly or indirectly, another construction subdistrict.

(3) The construction subdistrict is not within a Sanitation Tax District organized under section 39 of this act.

(4) The construction subdistrict has no outstanding obligations.

(5) The construction subdistrict has paid for its equitably allocable share of the capital costs of, and is connected to, directly or indirectly either

(a) the district facilities, or

(b) a treatment plant, disposal plant, or outfall sewer and any trunk, main, or intercepting sewers built to connect at least two construction subdistricts to such treatment or disposal plant, or outfall sewer.

(6) The provisions of this section shall not apply in cases involving annexation by a city of the first class pursuant to KRS 81.300 to 81.360.

Section 30. A new section of the Kentucky Revised Statutes is created to read as follows:

The establishment, financing and operation of a construction subdistrict by the district are in all respects in the interest of public health and for a public purpose. In so doing the district performs a governmental function in the exercise of the powers conferred upon it, and it shall be required to pay no taxes or assessments upon any property owned or acquired by it, or upon its activities in the operation and maintenance of its subdistrict facilities. Construction subdistrict bonds and the income therefrom are exempt from taxation.

Section 31. A new section of the Kentucky Revised Statutes is created to read as follows:

In the financing of a construction subdistrict the district may use the authority and procedures granted to incorporated municipalities by KRS 107.010 to 107.220. When applied to construction subdistricts, terms used in KRS 107.010 to 107.220 shall be construed to mean the following: "city" means "metropolitan sewer district"; "ordinance" means "resolution"; "clerk" means "secretary-treasurer of district"; "governing body" means "metropolitan sewer district board"; and "mayor or chairman of board of directors" means "chairman of metropolitan sewer district board". Bonds issued pursuant to this section are construction subdistrict bonds and obligations secured by assessments.

Section 32. A new section of the Kentucky Revised Statutes is created to read as follows:

The provisions of section 31 of this act, permitting financing subdistrict construction under the provisions of KRS 107.010 to 107.220, shall not repeal or reduce any existing rights or duties of the district, but shall constitute an additional method of financing.

Section 33. A new section of the Kentucky Revised Statutes is created to read as follows:

After the creation of a construction subdistrict under the provisions of sections 12 to 16 of this act, the board of the metropolitan sewer district may, if it deem it advisable, use the authority and procedures granted to sanitation districts by KRS 220.535 to 220.537 to annex territory to a subdistrict, "board of directors" being read as "metropolitan sewer district board"

Section 34. A new section of the Kentucky Revised Statutes is created to read as follows:

Language in KRS 220.535, limiting the powers of annexation to a sanitation district in a county not containing a city of the first class, shall not be applicable to a metropolitan sewer district which might use this method of annexation to a construction subdistrict even if it is located in a county containing a city of the first class, and the Director of Sanitary Engineering of the Department of Health shall function in regard to annexations by it in the same manner and under the same procedures as set out in KRS 220.535 to 220.537 as he would in his capacity as Commissioner of Sanitation Districts for any sanitation district.

Section 35. A new section of the Kentucky Revised Statutes is created to read as follows:

The provisions of sections 33 and 34 of this act shall not repeal or reduce any existing rights or duties of metropolitan sewer districts, but shall constitute merely a procedure for annexation to construction subdistricts by a metropolitan sewer district.

Section 36. A new section of the Kentucky Revised Statutes is created to read as follows:

After the creation of a construction district under the provisions of sections 12 to 16 of this act, the board may, if the board deem it feasible, instead of issuing bonds as provided in section 21 of this act, issue apportionment warrants, using the procedures after assessment set out in KRS 184.150 to KRS 184.250, "road district" being read as "metropolitan sewer district", "board of directors" being read as "metropolitan sewer district board" and the reference to roads being read as reference to sewers and drains including treatment plants.

Section 37. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) If the district finds as a fact that the methods of financing sewer facilities within a construction subdistrict provided for in this

act will be inadequate, uneconomic, or unduly burdensome to the residents to be initially served, the district may contract with one or more persons to construct or cause to be constructed a sewer system within the construction subdistrict or to advance or loan money to the district for the construction of a sewer system within the construction subdistrict. The sewer system constructed will be the property of the construction subdistrict and will be a construction subdistrict facility. When the district finds that one or more financing methods for construction subdistricts established by this act, excluding this section, have become feasible, the district may adopt such method or methods to raise the money to pay for the construction of sewer facilities within the construction subdistrict or to pay the loan.

(2) The contract may be made prior to the making of an order establishing the construction subdistrict. The contract may require that one or more persons agree to buy construction subdistrict bonds to be issued pursuant to section 22 of this act in an amount specified, which shall be sufficient to finance the construction of the sewer system. The maximum price and yield of the bonds shall be stated in the contract. Such contract shall not prevent the district from selling the bonds to a lower bidder.

(3) All contracts made pursuant to this section shall be in writing and shall contain a covenant that this section shall prevail over any contrary feature of the contract.

(4) The General Assembly declares that the public policy of the Commonwealth will not be offended merely because a contract or loan made pursuant to this section is privately negotiated or because it is made without competitive bidding.

(5) Bonds sold to one or more contracting parties pursuant to subsection (2) shall be indorsed to disclose the nature of the sale. Such bonds, no matter who the holder or owner, shall never be eligible to have any payment made on their account pursuant to subsection (6) of section 24 of this act.

Section 38. A new section of the Kentucky Revised Statutes is created to read as follows:

Sewer and drainage systems or both constructed by construction subdistricts shall be operated and maintained by the district and payment for the actual cost, including overhead and administrative costs, shall be paid by the districts from funds of the construction subdistricts. Where sewer system constructed by construction subdistricts are connected to the district facilities an equitable proportionate charge for treatment of sewage at the district sewage treatment plant or plants shall also be transferred from the accounts of the construction subdistrict to the district.

Section 39. A new section of the Kentucky Revised Statutes is created to read as follows:

In the interest of the public health and for the purpose of providing adequate sanitation and drainage facilities in each county containing a city of the first class, there may be created and established therein one or more sanitation tax districts under the provisions of this act, having the powers, duties and functions prescribed in this act, and to be known by and under the name of_____________(Name) Sanitation Tax District. Such a district under its name shall be a public body corporate and political subdivision, with power to adopt, use and alter at its pleasure a corporate seal, sue and be sued, contract and be contracted with, and in other ways to act as a natural person, within the purview of this act. Such district may encompass any territory within the county except (a) territory in the district area of a metropolitan sewer district, (b) sewered areas which are connected to the district facilities of a metropolitan sewer district and (c) sewered areas which have paid a capital investment recovery fee, or are paying the same, to a metropolitan sewer district to reimburse the metropolitan sewer district for that portion of its capital expenditures equitably allocable to the sewered area.

Section 40. A new section of the Kentucky Revised Statutes is created to read as follows:

Whenever by resolution of the fiscal court acting upon its own initiative or upon petition from the metropolitan sewer district, it is declared for the best interests of such county and the inhabitants thereof that such sanitation tax district or districts be created under the provisions of this act, the fiscal court of such county shall file a certified copy of such resolution with the county court clerk of the county. The resolution shall describe the territory included within the sanitation tax district.

Section 41. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) The affairs of each sanitation tax district shall be conducted by a board composed of five members, all of whom shall be appointed by the county judge of such county subject to the approval of the fiscal court, and which five members thus appointed shall constitute the board of such district. Not more than three members of the board shall be affiliated with the same political party.

(2) Each such member shall be at least twenty-five years of age and a resident of the county. No officer or employe of such city or county, whether holding a paid or unpaid position, shall be eligible for appointment as a member of such board.

(3) On the first day of July following the creation of a sanitation tax district, or as soon thereafter as may be practical, the county judge,

subject to the approval of the fiscal court, shall appoint one member for a term of two years, two members for a term of three years, and two members for a term of four years. Upon the expiration of each of the terms and thereafter, the term of each member shall be four years, ending on July first. A member is eligible to succeed himself, and shall continue in office until his successor has been appointed and qualified. Vacancies in the membership shall be filled for the unexpired portion of the term by the county judge, subject to the approval of the fiscal court.

(4) Any member of the board may be removed for cause, after hearing by the county judge, and after at least ten days' notice in writing has been given to the member. The notice shall embrace the charges preferred against him. At the hearing he may be represented by counsel. The finding of the county judge shall be final and removal results in vacancy in such office.

(5) Each member of the board shall be paid ten dollars for each meeting of the board attended by such member.

(6) The board in accordance with its by-laws shall elect from its members a chairman and a vice-chairman. It may employ a secretary-treasurer and such other officers and employes as it deems requisite for the performance of its duties. The board shall require such officers and employes as it deems advisable to execute faithful performance bonds, in such sums as the board may fix. The premiums for such bonds shall be paid by the district.

Section 42. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) In order to establish a comprehensive sewage, storm water and surface drainage system within the sanitation tax district, the district through its board may levy an ad valorem tax upon the real property in the district, not exceeding limits designated by the Constitution of the Commonwealth. Provided, however, that notice stating the amount of the proposed tax and the area to be affected be published in a newspaper of bona fide circulation as provided in KRS 424.130. Provided, further, that no resolution of the board imposing an ad valorem tax shall go into effect until the expiration of thirty days after the first publication of the notice. If during the thirty days next following the first notice of said resolution, a petition signed by a number of constitutionally qualified voters equal to fifteen percent of the votes cast within the area affected at the last preceding general election, stating the residence of each signer, and verified as to signatures and residence by the affidavits of one or more persons is presented to the county court protesting against passage of such resolution or if the fiscal court passes a resolution suspending the tax, the resolution shall be suspended from going into effect. The county

judge shall notify the board of the sanitation tax district of the receipt of the petition or of the suspension of the resolution or both. If the resolution is not repealed by the board, the board shall submit to the voters of the area to be taxed, at a regularly scheduled election or at an election held for that purpose, the question as to whether the tax shall be levied. The question shall be so framed that the voter may by his vote answer "for" or "against." If a majority of the votes cast upon the question oppose its passage, the resolution shall not go into effect. If a majority of the votes cast upon the question favor its passage, the resolution shall go into effect as of January 1 of the year succeeding the year in which the election is held.

(2) When such tax levy has been fully approved, the county tax commissioner, with the cooperation of the board shall note on the tax rolls the taxpayers and valuation of the property subject to such tax. The county clerk shall compute the tax on the regular state and county tax bills in such manner as may be directed by regulation of the Department of Revenue.

(3) Such ad valorem taxes shall be collected by the sheriff in accordance with the general law and accounted for to the board. The sheriff shall be entitled to a fee of one percent of the amount collected.

Section 43. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) In order to provide for the construction of a comprehensive sewage and sewage treatment system, or storm water and surface drainage system, or both, the sanitation tax district and a metropolitan sewer district may agree in writing that the latter shall construct the system and operate it in consideration that the sanitation tax district lease the system for a term of one year, which term may be renewed. No system shall include lateral sewers. It may include any other appliance or structure reasonably incident to such a system.

(2) The sanitation tax district shall have an exclusive option to renew for each year succeeding the original term, but the option shall not grant exclusive renewal options for more than forty years. The method of exercising the exclusive option to renew the lease shall be any method permissable under law which does not have the effect of authorizing or permitting the sanitation tax district to become indebted to an amount exceeding, in any year, the income and revenue provided for such year within the meaning of section 157 of the Constitution of Kentucky.

(3) A metropolitan sewer district is authorized to issue bonds secured solely by rentals payable under such a lease to finance construction of the system. Except as provided in the preceding

sentence, all matters pertaining to such bonds shall be governed by sections 22 and 25 of this act.

Section 44. Section 76.230 of Kentucky Revised Statutes is amended to read as follows:

Any city of the second class and the county containing such city, and their appropriate officers, boards or commissions, shall have all of the rights, powers, privileges, duties and obligations that are given to a city of the first class, and the county containing such city, by KRS 76.010 to 76.210 *and by this act*, and all things that are authorized to be done in, by or for a city of the first class, and the counties containing such city, by those sections, may likewise be done in, by and for a city of the second class and the county containing such city, subject to the same terms, conditions and restrictions. For this purpose, any powers or duties vested in a named officer, board or commission of a city of the first class and the county containing such city, by those sections, shall be deemed to be vested in the corresponding officer, board or commission of a city of the second class and the county containing such city.

Section 45. A new section of the Kentucky Revised Statutes is created to read as follows:

In counties containing a metropolitan sewer district, the county court shall not accept for filing a petition tendered to it pursuant to KRS 76.300 to 76.305 unless the metropolitan sewer district has certified in a written instrument that the proposed sewer construction district will not interfere with the orderly operation and expansion of the metropolitan sewer district. The circuit court of any county containing a metropolitan sewer district shall have jurisdiction to compel by injunction the issuing of such a certificate if its issuance has been denied arbitrarily, capriciously, or unreasonably.

Section 46. A new section of the Kentucky Revised Statutes is created to read as follows:

A sanitation district organized under KRS 220.010 to 220.540, a sewer construction district organized under KRS 76.300 to 76.420, and a sewage system owned by any municipality, political subdivision, or any other entity, public or private, may be made a construction subdistrict or incorporated into the district area by the board under the conditions of this section.

(1) Any such district or system may be made a construction subdistrict only when:

(a) express, written consent of all bondholders and secured creditors has been obtained;

(b) the governing body or owner of such district or system has consented in writing; and

(c) the board has determined that the policy of KRS 76.010 to 76.220 and this act will best be served by making such district or system a construction subdistrict.

(2) When such district or system has been made a construction subdistrict under subsection (1), sections 12 to 21, 31, 36, and 37 shall not apply to it.

(3) Any such district or system may be incorporated by the board into the district area only when:

(a) all debts of the district or system have been paid or an amount of either money or securities lawful as investments under KRS 386.020 has been laid aside to pay them by the governing body or owner of such district or system;

(b) the governing body or owner of such district or system has consented in writing;

(c) such district or system is not within a Sanitation Tax District organized under section 39 of this act; and

(d) the board has determined that the policy of KRS 76.010 to 76.220 will best be served by incorporating such district or system into the district area.

Section 47. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) Assessment liens imposed by this act are prior to all other liens except liens for taxes and other assessment liens already attached.

(2) Assessment liens may be enforced pursuant to KRS 426.005 to 426.006.

Section 48. Sections 76.505 to 76.585 of the Kentucky Revised Statutes are repealed.

The President vacated the chair, President Pro Tempore Senator Ware presiding.

Calendar

SB 107, SB 151, HB 123, SB 159 taken from the Calendar and ordered read at length for the second time. Senator Gardner moved that they be read by title only. Agreed by a majority of members elected. Ordered placed in the Orders of the Day.

The President resumed the chair.

Communications

The Clerk read the following communication from the Honorable Edward T. Breathitt, Governor of the Commonwealth of Kentucky:

February 18, 1964

Dear Mr. Waterfield:

KRS 211.040 provides that nine of the members of the State Board of Health shall be appointed by the Governor by and with the advice of the Senate.

Since the 1962 session of the General Assembly the following appointments have been made by the Governor of Kentucky and require Senate approval:

Paul E. Dunbar, Paducah, Kentucky. Appointed January 16, 1963, for term ending December 31, 1965.

Dr. Sam Overstreet, Louisville, Kentucky. Appointed June 12, 1963, for term ending December 31, 1966.

Dr. George Archer, Prestonsburg, Kentucky. Appointed October 21, 1963, for term ending December 31, 1966.

Dr. J. Farra VanMeter, Lexington, Kentucky. Appointed January 13, 1964, for term ending December 31, 1967.

I trust this information will suffice in enabling the Senate to approve these appointments.

Sincerely,

Honorable Harry Lee Waterfield
President
State Senate
Frankfort, Kentucky

Senator Gardner moved that the Senate approve said appointments. Agreed.

The Clerk read the following Communication from Senator George Overbey.

Hon. Harry Lee Waterfield, President of the
Senate; Hon. Shelby McCallum, Speaker of
the House of Representatives; Hon. Edward
T. Breathitt, Governor of the Commonwealth
of Kentucky; Hon. James B. Milliken, Chief
Justice of the Court of Appeals of Kentucky;
and Hon. William L. Wilson, President of the
Kentucky Bar Association

Gentlemen:

Senate Resolution No. 3 was passed by the Third Extraordinary Session, 1963, of the Kentucky General Assembly, whereby a Committee was to be immediately established to make a study of the judicial districts of the State, etc.

Three members of the Senate were appointed by the Senate President. The members thus appointed were: Senator George E. Overbey, Chairman; Senator Shelby C. Kinkead and Senator James C. Ware. To our knowledge, no other member was appointed by the Speaker of the House, the chief Justice of the Court of Appeals, or by the Judicial Council or by the Kentucky Bar Association. Chief Justice Milliken did advise us by letter that, in view of Governor Breathitt's intention to pursue general constitutional reform, he was not sure that anything further should be done about judicial districts at this time, although he did believe that reconsideration of them sometime soon would be advisable.

A copy of said Senate Resolution No. 3 is attached hereto. In view of the foregoing, it has been impossible for this Committee to function or to make its report as provided for in Section No. 2 of the said resolution.

The Governor and the Lieutenant Governor are each complimented in providing leadership for the drafting of a revision of our constitution. It is our hope that the drafters will reconsider reapportionment of both the Circuit Court Districts and the Appellate Court Districts as well as provisions for reapportionment of such districts. Respectfully submitted,

Senator George E. Overbey

The President appointed a Committee composed of Senators Kinkead, Newberry and Donald L. Johnson to serve with a like committee from the House of Representatives on the Childrens' Advisory Council.

Report on Enrolled Bill

Committee on Enrollment reported that **HB 222** had been examined and found correctly enrolled. **HB 222** read at length, compared, and signed in open session by the President. Ordered delivered to the House.

Orders of the Day

SB 84 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Garrett moved the Previous Question on **SB 84.** Agreed.

On the roll call the vote was yeas 35—Billington, Blue, Bonn, Brand, Brizendine, Buckman, Cobb, Derickson, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, Howard, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Van Hoose, Ware. Nays 0.

SB 84 was passed and the title agreed to.

Senator Garrett moved that the vote by which **SB 84** was passed be reconsidered and that said motion be laid on the table. Agreed.

HB 20 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the Previous Question on **HB 20.** Agreed.

On the roll call the vote was yeas 30—Billington, Blue, Bonn, Brand, Brizendine, Buckman, Cobb, Derickson, Edwards, Engle, Fuqua, Gardner, Garrett, Howard, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, McCann, McGinty, Miller, Mobley, Palmer, Raybourne, Spence, Swope, Ware. Nays 3—Newberry, Nichols, Van Hoose.

HB 20 was passed.

Senator Miller moved that **HB 20** be known as the Broadus Hickerson-James Whitlock Act. Agreed.

Senator Gardner moved that the vote by which **HB 20** was passed be reconsidered and that said motion be laid on the table. Agreed.

Senator Kiser moved to dispense with the Rules for the purpose of introducing a bill.

Introduction of Bill

SB 191, by Senators Kiser, Raybourne, Mobley, Gay, Mann, Blue, Brand, Engle, Donald L. Johnson and McCann: AN ACT to abolish discriminatory wage rates based on sex.

Orders of the Day, continued

HB 76 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the Previous Question on **HB 76.** Agreed.

On the roll call the vote was yeas 33—Billington, Blue, Bonn, Brand, Brizendine, Cobb, Derickson, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, Howard, D. Johnson, F. Johnson, Kidwell, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Van Hoose, Ware. Nays 0.

HB 76 was passed and the title agreed to.

Senator Gardner moved that the vote by which **HB 76** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 93 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the Previous Question on **SB 93.** Agreed.

On the roll call the vote was yeas 31—Billington, Blue, Bonn, Brand, Brizendine, Cobb, Derickson, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, Howard, D. Johnson, Kelly, Kidwell, Kinkead, Layne, Mann, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Ware. Nays 0.

SB 93 was passed and the title agreed to.

Senator Gardner moved that the vote by which **SB 93** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 135 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Kelly moved the Previous Question on **SB 135.** Agreed.

On the roll call the vote was yeas 31—Billington, Blue, Bonn, Brand, Buckman, Cobb, Derickson, Edwards, Fuqua, Gardner, Garrett, Gay, Howard, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Mann, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Raybourne, Spence, Swope, Van Hoose, Ware. Nays 0.

SB 135 was passed and the title agreed to.

Senator Kelly moved that the vote by which **SB 135** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 134 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Kelly moved the Previous Question on **SB 134.** Agreed.

On the roll call the vote was yeas 32—Billington, Blue, Bonn, Brand, Brizendine, Buckman, Cobb, Derickson, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, Howard, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Mann, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Raybourne, Spence, Swope, Van Hoose, Ware. Nays 0.

SB 134 was passed and the title agreed to.

Senator Kelly moved that the vote by which **SB 134** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 133 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the Previous Question on **SB 133.** Agreed.

On the roll call the vote was yeas 29—Billington, Blue, Bonn, Brand, Brizendine, Buckman, Cobb, Derickson, Engle, Fuqua, Gardner, Garrett, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Mann, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Van Hoose, Ware. Nays 0.

SB 133 was passed and the title agreed to.

Senator Gardner moved that the vote by which **SB 133** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 25 taken from Orders of the Day with Committee Amendment attached thereto and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Mobley moved the adoption of the Committee Amendment to **SB 25.** Agreed.

Senator Mobley moved the Previous Question on **SB 25,** as amended. Agreed.

On the roll call the vote was yeas 24—Blue, Bonn, Brand, Brizendine, Buckman, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, Howard, Kelly, Kinkead, Mann, McCann, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Van Hoose. Nays 5—Billington, D. Johnson, McGinty, Miller, Ware.

SB 25, as amended, was passed and the title agreed to.

Senator Mobley moved that the vote by which **SB 25,** as amended, was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 119 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Kinkead moved the Previous Question on **SB 119.** Agreed.

On the roll call the vote was yeas 26—Billington, Blue, Bonn, Brizendine, Buckman, Cobb, Derickson, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Mann, McCann, Mobley, Newberry, Nichols, Palmer, Raybourne, Van Hoose. Nays 5—D. Johnson, McGinty, Miller, Spence, Swope.

SB 119 was passed and the title agreed to.

Senator Kinkead moved that the vote by which **SB 119** was passed be reconsidered and that said motion be laid on the table. Agreed.

Announcements

Senator Nichols, Chairman, announced a meeting of the Committee on Labor after adjournment of the Senate on Thursday, February 27, in Room 318.

Senator Ware, Chairman, announced a meeting of the Committee on Banking and Insurance at 11:00 A.M., Thursday, February 27, in Room 327.

Senator Gardner moved that the Senate adjourn until 1:00 P.M., Thursday, February 27. Agreed.

THURSDAY, FEBRUARY 27, 1964

FORTY-FIRST LEGISLATIVE DAY

The Senate was called to order by the President.

Prayer by the Reverend Robert J. Laughlin of the First Presbyterian Church of Frankfort.

The roll was called. All present except Senator Duncan, who was granted leave of absence on motion of Senator Gardner.

Reading of the Journal for February 26 dispensed with and the same approved on motion of Senator Gardner.

Report on Enrolled Bills

Committee on Enrollment reported that **SB 19, SB 7** had been examined and found correctly enrolled. **SB 19, SB 7** read at length, compared, and signed in open session by the President. Ordered delivered to the House.

SB 19, SB 7 delivered, signed by Speaker. Ordered delivered to the Governor.

Introduction of Bills and Resolution

SB 192, by Senator Spence: AN ACT Proposing an amendment to Sections 91, 93 and 95 of the Constitution of Kentucky relating to the Superintendent of Public Instruction.

SB 193, by Senator Bonn: AN ACT relating to school district bonds.

SB 194, by Senator Kinkead: AN ACT relating to places of public accommodation, resort, and amusement.

SB 195, by Senator Mann: AN ACT relating to motor vehicle operator's financial responsibility.

SR 31, by Senators Duffy, McCann, Layne, Miller, McGinty and Bonn:

A RESOLUTION thanking the President of the University of Louisville, Dr. Philip Grant Davidson, and his associates for their most gracious and generous hospitality in entertaining the members of the General Assembly Wednesday evening, February 26, 1964.

WHEREAS, the members of the General Assembly of the Commonwealth of Kentucky had the honor of being the guests of the University of Louisville, Wednesday evening, February 26, 1964; and

WHEREAS, the hospitality showered upon the members of the General Assembly by the President of the University of Louisville, Dr. Philip Grant Davidson, and his associates was most gracious and generous; and

WHEREAS, each and every member of the General Assembly who had the honor of participating in the events of Wednesday evening, February 26, 1964, sponsored by the University of Louisville, thoroughly enjoyed the evening's events;

NOW, THEREFORE,
Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the appreciation of the members of the General Assembly be and is hereby extended to the President of the University of Louisville, Dr. Philip Grant Davidson, and to his associates thanking them for their most gracious and generous hospitality.

Section 2. That a copy of this resolution be sent to the President of the University of Louisville, Dr. Philip Grant Davidson.

Senator Duffy moved the adoption of **SR 31.** Agreed.

Report of Committee

Committee on Banking and Insurance reported **SB 124,** with Committee Amendment, **SB 149, SB 94,** with Committee Amendment, with the expression of opinion that same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 124, AN ACT relating to insurance.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 304.935 of the Kentucky Revised Statutes is amended to read as follows:

(1) No person shall, as a condition to or in connection with any loan or the purchase of any property under contract, *or the security of a mortgage on personal or real property,* require that any insurance to be procured by or on behalf of the vendee or borrower on account of such loan or purchase or on property securing such loan or the subject of such contract *or mortgage,* in any manner, be so procured through any particular person, agent, broker, solicitor, or in any particular insurer *or insurers, type or types of companies.*

(2) This section shall not prevent the [reasonable] exercise by any such vendor or lender *or mortgagee* of his right to approve or disapprove the insurer selected *by the borrower* to underwrite the insurance, *on a reasonable non-discriminatory basis related to the solvency of the insurer and its ability to service the policy.* [, and to determine the adequacy of the insurance offered.] *The vendor or lender or mortgagee may require that the insurance be placed with an insurer authorized to do business in Kentucky, and that the amount of insurance be at least in an amount to protect the amount of the loan on a type of policy furnishing reasonable protection to such vendor, lender, or mortgagee, which may include additional coverages not inuring to the benefit of the vendor, lender, or mortgagee, and reasonably associated or connected with the subject matter of the loan, mortgage, or contract.*

(3) This section shall not apply to group insurance under a policy issued to a creditor pursuant to KRS 304.841.

Said Committee Amendment to **SB 124** is as follows:

Amend printed copy of Senate Bill 124 on page 2, line 7, by:

deleting therefrom the following language:

", and that the amount of the insurance be at least in an amount to protect the amount of the loan on a type of policy furnishing reasonable protection to such vendor, lender, or mortgagee, which may include additional coverages not inuring to the benefit of the vendor, lender, or mortgagee, and reasonably associated or connected with the subject matter of the loan, mortgage, or contract."

SB 149, AN ACT providing for the conversion of a mutual insurer to a stock insurer.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. As used in this Act, unless the context requires otherwise:

(1) "Commissioner" means the Commissioner of Insurance;

(2) "Mutual insurer" means an insurer governed by the provisions of KRS 304.150 to 304.194;

(3) "Stock insurer" means an insurer governed by the provisions of KRS 304.120 to 304.144.

Section 2. Any mutual insurer may become a stock insurer under such plan and procedure as may be approved by the commissioner.

Section 3. Before approving a plan or procedure by which a mutual insurer may become a stock insurer, the commissioner shall determine that such plan is:

(a) Equitable to the insurer's members.

(b) Approved by a vote of not less than two-thirds of the insurer's current members voting thereon in person, by proxy, or by mail at a meeting of members called for that purpose pursuant to such reasonable notice and procedure as may be approved by the commissioner; if the insurer is a life insurer, the right to vote may be limited to members who hold policies other than term or group policies and whose policies have been in force for not less than one year.

Section 4. The equity of each policyholder in the insurer shall be determined by a formula approved by the commissioner. Such formula shall include, but not be limited to, the equity of the policyholder in the insurer's surplus (after deducting contributed or borrowed surplus funds, if any) plus a reasonable equity in its reserves and nonadmitted assets.

Section 5. Policyholders entitled to participate in the purchase of stock or distribution of assets shall include all current policyholders and all existing persons who had been policyholders of the insurer within one year prior to the date such plan was submitted by the commissioner.

Section 6. The plan approved by the commissioner shall give to each policyholder of the insurer defined in Section 5 above a preemptive right to acquire his proportionate part of the capital stock of the insurer, within a designated reasonable period of time, and to apply upon the purchase thereof the amount of his equity in the insurer determined as herein provided.

Shares shall be offered to the policyholders of the insurer at a price not greater than that to which such shares thereafter may be offered to others, and the plan shall provide for payment to each policyholder not electing to apply his equity in the insurer for or upon the purchase price of stock to which he may be preemptively entitled, of cash in the amount of not less than fifty percent (50%) of the amount of his equity not so used for the purchase of stock. Such cash payment together with stock so purchased, if any, shall constitute full payment and discharge of the policyholder's equity as an owner of such mutual insurer.

Section 7. The plan, when completed, shall provide that the paid in capital stock of the converted insurer shall be in an amount not less than the minimum paid in capital and surplus required of a domestic stock insurer transacting like kinds of insurance.

Section 8. KRS 304.192 is amended to read:

[(1) No mutual insurer shall be converted, changed, or reorganized as a stock corporation.]

(1) [(2)] *A mutual* [Such an] insurer may be wholly reinsured in and its assets transferred to and its liabilities assumed by another mutual or stock insurer under such terms and conditions as are approved by the commissioner in advance of such reinsurance.

(2) [(3)] The commissioner shall not approve any such reinsurance agreement which does not determine the amount of and make adequate provision for paying to policyholders of such mutual insurer, reasonable compensation for their equities as owners of such insurer, such compensation to be apportioned to policyholders as identified and in the manner prescribed in KRS 304.193.

SB 94, AN ACT relating to insurance.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 304.099 is amended to read:

(1) Except as provided in KRS 304.103, all bonds and policies covering subjects of insurance located or to be performed in this state which are placed by or through a licensed nonresident agent shall be countersigned by a duly licensed resident agent of the insurer.

(2) *Except as provided in subsection (3) herein, the* [The] countersigning resident agent and the nonresident agent shall share [equally] in the commissions derived from all bonds and policies requiring countersigning by this section *as previously agreed upon, with the countersigning agent receiving not less than five percent commission.*

(3) The countersigning resident agent and the nonresident agent shall share equally in the commissions derived from all policies and bonds required to be filed with and approved by the Commissioner of Highways, or incident or pertaining to an operation under a contract awarded by the Commissioner of Highways.

Said Committee Amendment #1 to **SB 94** is as follows:

Amend printed copy of Senate Bill 94 on page 1, line 7 through 12, by:

Substituting the following for subsection (2).

(2) The countersigning resident agent and the nonresident agent shall share in the commissions derived from all policies and bonds requiring countersigning by this section as previously agreed upon, with the countersigning agent receiving not less than 5% of the commissions on all policies and 50% of the commissions on all bonds.

Said Committee Amendment #2 to **SB 94** is as follows:

Amend printed copy of Senate Bill 94 on pages 1 and 2, by:

Deleting subsection (3), line 13 on Page 1 continuing through line 5 on Page 2.

Calendar

SB 50, with Committee Amendment, **SB 88**, **SB 181**, with Committee Amendment, **SB 110**, **HB 107**, **HB 106**, **SR 13**, with Committee Amendment, **HB 198**, **HB 124**, **HB 72**, with Committee Amendment, **SB 169**, with Committee Amendment, **HB 131**, **SB 168**, **SB 158**, **SB 92**, **SB 82**, **SB 81**, **SB 35**, with Committee Amendment, **SB 9**, with Committee Amndment, **HB 161**, **SB 90**, with Committee Substitute, **SB 91**, **SB 147**, **HB 132**, **SB 70** taken from the Calendar and ordered read at length for the second time. Senator Gardner moved that they be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

Orders of the Day

HB 70 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the Previous Question on **HB 70.** Agreed.

On the roll call the vote was yeas 30—Billington, Blue, Bonn, Brand, Brizendine, Buckman, Duffy, Engle, Fuqua, Gardner, Gay, Howard, D. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Swope, Van Hoose, Ware. Nays 0.

HB 70 was passed and the title agreed to.

Senator Gardner moved that the vote by which **HB 70** was passed be reconsidered and that said motion be laid on the table. Agreed.

HB 123 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Garrett moved the Previous Question on **HB 123.** Agreed.

On the roll call the vote was yeas 35—Billington, Blue, Bonn, Brand, Brizendine, Buckman, Duffy Edwards, Engle, Fuqua, Gardner, Garrett, Gay, Howard, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

HB 123 was passed and the title agreed to.

Senator Garrett moved that the vote by which **HB 123** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 76 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gay moved the Previous Question on **SB 76.** Agreed.

On the roll call the vote was yeas 32—Billington, Blue, Bonn, Brand, Brizendine, Buckman, Duffy, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, Howard, D. Johnson, F. Johnson, Kelly, Kidwell, Kiser, Layne, Mann, McCann, Miller, Mobley, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 1—Newberry.

SB 76 was passed and the title agreed to.

Senator Gay moved that the vote by which **SB 76** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 75 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Kinkead moved, seconded by Senator Kiser, that **SB 75** be laid on the Clerk's desk. Agreed.

SB 44, with Committee Substitute, taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that Committee Substitute for **SB 44** be read by title only. Agreed by a majority of members elected.

Senator Mobley moved the adoption of the Committee Substitute for **SB 44.** Agreed.

Senator Gardner moved the Previous Question on **SB 44,** as amended. Agreed.

On the roll call the vote was yeas 25—Billington, Blue, Bonn, Brand, Brizendine, Duffy, Engle, Gardner, Garrett, Gay, Howard, D. Johnson, Kiser, Layne, Mann, McGinty, Miller, Mobley, Newberry, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose. Nays 2—Fuqua, Kidwell.

SB 44 was passed and the title agreed to.

Senator Gardner moved that the vote by which **SB 44** was passed be reconsidered and that said motion be laid on the table. Agreed.

The President vacated the chair, the President Pro Tempore Senator Ware presiding.

SB 137 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Duffy offered Amendment #1 to **SB 137** and moved its adoption. Agreed.

Said Amendment #1 to **SB 137** is as follows:

Amend printed copy of Senate Bill 137 on page 2, by:

Add a new section number Section 3, as follows:

Section 3. Section 179.010 of the Kentucky Revised Statutes is amended to read as follows:

As used in this chapter, unless the context otherwise requires:

(1) "County roads" are as defined in KRS 178.010.

[(1) "County roads and bridges" are all public roads and bridges outside of incorporated cities, except primary roads and Federal parkways and bridges thereon, including right of way to such roads and bridges, including right of way to such roads and driveways used by the public as means of ingress and egress to and from churches, cemeteries and public schools as may have been accepted as donations in fee by the several counties.]

(2) "County engineer" means county road engineer.

(3) "Obstructions" includes any object which prevents the easy, safe and convenient use of a county road for public travel.

Senator Gardner moved that **SB 137** retain its place in Orders of the Day. Agreed.

Reference of Bills

The Clerk announced that the following bills had been referred:

Administrative Agencies: **HR 17, HB 38, HB 46, SB 189, SB 190, SB 195**

Suffrage, Elections and Constitutional Amendments: **HB 5, SB 192, SB 194**

Highways and Transportation: **HB 78, HB 117, HB 176**
Ways and Means: **HB 125, SB 188, SB 193**
Municipalities: **HB 194, HB 207**
Agriculture: **HB 225, HB 229**
Labor and Industry: **SB 191**

Announcements

Senator Nichols, Chairman, announced a meeting of the Committee on Education for 9:00 A.M., Friday, February 28, in Room 327.

Senator McCann, Chairman, announced a meeting of the Committee on Municipalities after adjournment on Friday, February 28, in Room 327.

Senator Gardner moved that the Senate adjourn until 10:00 A. M., Friday, February 28. Agreed.

FRIDAY, FEBRUARY 28, 1964

FORTY-SECOND LEGISLATIVE DAY

The Senate was called to order by the President.

Prayer by the Reverend Robert J. Laughlin of the First Presbyterian Church of Frankfort.

The roll was called. All present except Senators Duncan, Spence and Turner who were granted leave of absence on motion of Senator McCann.

Reading of the Journal for February 27 dispensed with and the same approved on motion of Senator McCann.

House Message

Announcing passage of **HB 35, HB 57, HB 61, HB 75, HB 118, HB 140, HB 164, HB 240, HB 252, HB 279, HB 282, HR 35, SB 22,** with House Amendment, **SB 57, SB 59,** with House Amendment.

Recess

Senator McCann moved that the Senate recess for fifteen minutes for the purpose of having a meeting of the Committee on Municipalities. Agreed.

At the appointed hour, the President resumed the chair and called the Senate to order.

Report on Enrolled Bills

Committee on Enrollment reported that **HB 123, HB 76, HB 70** had been examined and found correctly enrolled. **HB 123, HB 76, HB 70** read at length, compared, and signed in open session by the President. Ordered delivered to the House.

Introduction of Bills

SB 196, by Senator Nichols: AN ACT relating to corporations.

SB 197, by Senator Nichols: AN ACT relating to taxation.

SB 198, by Senator Nichols: AN ACT relating to the voting of stock.

SB 199, by Senator Nichols: AN ACT relating to wills.

SB 200, by Senator Kinkead: AN ACT relating to traffic control devices.

SB 201, by Senators Brizendine, Bonn, Kinkead, McCann, Gay, Mobley and Edwards: AN ACT relating to Motor Vehicle Sales.

SB 202, by Senator Buckman: AN ACT relating to juvenile courts.

SB 203, by Senators McGinty, Miller, Duffy, Layne, Bonn and McCann: AN ACT relating to the operation of buses in counties containing a city of the first class.

SB 204, by Senator Ware: AN ACT relating to fire protection districts.

Report of Committees

Committee on Education reported **HB 16, HB 56, HB 52**, with Committee Amendment, **HB 217, HB 127, HB 58** with the expression of opinion that same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 16, AN ACT relating to municipal colleges.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 165.160 is amended to read:

(1) Cities of the second *or third* class may establish or acquire by lawful conveyance municipal colleges for the purpose of promoting public education. A college in a city of the second *or third* class shall not constitute a municipal college or receive support as provided in KRS 165.170 to 165.190 unless it is controlled by a board of trustees appointed by the mayor and legislative body of the city, and unless its principal work is the maintenance of courses affording instruction in such arts, sciences and professions and conferring such certificates of attainment as are authorized by other similar institutions of learning above the high school grade.

(2) If the college is supported by a municipal college support district, three members of the board of trustees mentioned in subsection (1) shall be appointed by the governing body of the district.

Section 2. KRS 165.165 is amended to read:

The legislative body of a city of the second *or third* class in which a municipal college or junior college exists under the provisions of KRS 165.160 to KRS 165.260 may, for educational purposes, use and employ all the authority contained in KRS 165.080 to 165.140 and 162.340 to 162.380 to issue bonds for the benefit of such college.

Section 3. KRS 165.170 is amended to read:

The legislative body of any city of the second *or third* class that has a municipal college may, after an election is required by § 184 of the Constitution, annually levy and collect, for the support of the municipal college, a tax of not less than five nor more than fourteen cents on each one hundred dollars' worth of property subject to taxation for city purposes. The levy of such taxes shall be made at the same time and in the same manner as other levies for city purposes. The amount levied shall be placed to the credit of the municipal college fund upon the completion of the assessment of property for taxation, and paid as collected, subject to the discount allowed on other city taxes, by the treasurer of the city to the treasurer or other financial officer of the college, for the purpose of establishing, acquiring and operating the college. The taxes authorized by this section shall be construed to be school taxes and shall be in addition to all other taxes authorized by law to be used for municipal or school purposes.

Section 4. KRS 165.175 is amended to read:

(1) The fiscal court of a county containing a city of the second *or third* class in which is located a municipal college, having obtained the authorization of the legislative body of such city for the college to accept tax support from a municipal college support district and for appointment of three members of the college board of trustees by the governing body of the district, may establish a municipal college support district consisting of the territory in the county outside the limits of the city in which is located the college. The members of the fiscal court shall constitute the governing body of the district. Subject to the provisions of subsection (2), the district may levy a tax of not less than five or more than fourteen cents on each one hundred dollars of the assessed valuation of all property in the district. The funds raised by this tax shall be used solely to support the college.

(2) A certified copy of the order of the fiscal court creating the district shall be filed by the governing body of the district with the county clerk at least forty-five days before a regular election, and the clerk shall cause the question whether the tax is to be imposed to be placed upon the ballots to be given to voters residing in the district. The question shall be so phrased as to ask the voter whether he favors the imposition of a tax of not less than five or more than fourteen cents on each one hundred dollars of the assessed valuation of all property in the district for the purpose of supporting the municipal college in the second *or third* class city in the county. If a majority of those voting on the question favor the imposition of the tax, the governing body of the district shall levy the tax.

(3) The sheriff shall collect the taxes due the district at the same time and in the same manner in which he collects the state and to the college board of trustees.

county ad valorem tax. He shall be allowed a fee not to exceed four percent for collection of this tax. The money collected shall be paid

Section 5. KRS 165.180 is amended to read:

Any city of the second *or third* class having a municipal college may devote to college purposes any funds or properties derived from sources other than taxes levied for special purposes.

Section 6. KRS 165.190 is amended to read:

The legislative body of any city of the second *or third* class may appropriate as a site for the buildings and ground for a municipal college any public grounds of the city not especially appropriated or dedicated to any other use.

Section 7. KRS 165.195 is amended to read:

The board of trustees of a municipal college in a city of the second *or third* class may acquire, by purchase or gift, lands and improvements for the purpose of expanding the plant and extending the usefulness of the college, and when unable to agree with the owner of land and improvements necessary for the purposes of the college may proceed to condemn the land and improvements. The condemnation proceedings shall be conducted in the manner provided in KRS 416.230 to 416.310.

HB 56, AN ACT relating to advertisement for bids for repairs to school buildings and for purchase of supplies and equipment for schools.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 162.070 of the Kentucky Revised Statutes is amended to read as follows:

The contracts for the erection of new school buildings and additions and repairs to old buildings, except repairs not exceeding [one hundred fifty dollars] *five hundred dollars, shall* be made by the board of education to the lowest and best responsible bidder complying with the terms of the letting, after such advertisement for competitive bids as the board determines, but the board may reject any or all bids. All necessary specifications and drawings shall be prepared for all such work. The board shall advertise for bids on all supplies and equipment that it desires to purchase, except where the amount of the purchase does not exceed [two hundred fifty dollars] *five hundred dollars,* and shall accept the bid of the lowest and best bidder, but the board may reject any and all bids. In independent school districts of cities of the first class and in county school districts of counties containing a city of the first class, no advertisement for bids for repairs shall be necessary unless the amount involved exceed two thousand dollars, and no advertisement for bids for supplies and equipment shall be necessary unless the amount involved exceeds one thousand dollars.

HB 52, AN ACT relating to Teachers' Tenure.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 161.720 of the Kentucky Revised Statutes is amended to read as follows:

(1) The term "teacher" for the purpose of KRS 161.720 to 161.810 shall mean any person for whom certification is required as a basis of employment in the public schools of the state with the exception of the superintendent.

(2) The term "year" as applied to terms of service means actual service of not less than seven school months within a school year; provided, however, that any board of education may grant a leave of absence for professional advancement with full credit for service.

(3) The term "limited contract" shall mean a contract for the employment of a teacher for a term of *one year only or for that portion of the school year that remains at the time of employment.* [four years or less]

(4) The term "continuing service contract" shall mean a contract for the employment of a teacher which shall remain in full force and effect until the teacher resigns or retires, *or reaches the age of 65,* or until it is terminated or suspended as provided in KRS 161.790 and 161.800.

(5) The term "continuing status" means employment of a teacher under a continuing contract.

(6) The term "standard" or "college" certificate for the purpose of KRS 161.720 to 161.810 shall mean any certificate issued upon the basis of graduation from a standard four-year college.

Section 2. Section 161.730 of the Kentucky Revised Statutes is amended to read as follows:

Each board of education shall enter into *written contracts,* either limited or continuing [contracts], for the employment of all teachers.

Section 3. Section 161.740 of the Kentucky Revised Statutes is amended to read as follows:

(1) Teachers eligible for continuing service status in any school district shall be those teachers who meet qualifications listed in this section:

(a) Hold a standard or college certificate as defined in KRS 161.720;

(b) When a *currently employed* teacher is recommended for reemployment after teaching four *consecutive* years in *the same* [a] district, *or after teaching four years which shall fall within a period not to exceed six years in the same district, the year of present employment included,* the superintendent shall recommend said teacher for a continuing contract, and, *if the teacher is employed by the board of education, a written continuing contract shall be issued.* [unless the board of education by a four-fifths vote of its full membership rejects the continuing contract of the teacher, a written continuing contract shall be issued. If the board of education rejects the continuing contract of the teacher recommended, the superintendent may recommend employment of such teacher, under a limited contract for not to exceed two years, but upon subsequent reemployment only a written continuing contract shall be entered into;]

(c) When a teacher has attained continuing contract status in one district and *becomes* [is] employed in [and transfers to] another district, *said teacher shall resume probationary status and shall become eligible for continuing contract status only upon fulfilling the requirements of KRS 161.740 (1) (a) and (b).* [upon the recommendation of the superintendent the board of education may at the time of employment, or at any time within a two-year period, declare any transfer teacher eligible for a written continuing contract and extend to such teacher such contract. If during the two-year period the teacher has not received a written continuing contract and the teacher is recommended for reemployment at the end of the two years period, the superintednent shall recommend said teacher for a continuing contract and if reemployed a written continuing contract shall be issued.]

(d) *Service credit toward a continuing contract shall begin only when a teacher is properly certified as defined in KRS 161.720 (6).* [Any teacher who has taught six years or more and is eligible for a continuing contract but has not received such contract shall, if employed for the school year 1955-56, receive a written continuing contract.]

(2) Any teacher or superintendent who has been or may be hereafter inducted into the Armed Forces of this country [for service in the present war], shall at the expiration of such service be reemployed or reinstated in a *comparable* [his or her former] position as of the beginning of the next school year, provided application is made at least thirty days before the opening of school, unless physically or mentally incapacitated *according to medical notations on official discharge papers.* [Any teacher or superintendent desiring reinstatement in his or her former position shall file application for same with the board of education within a period of sixty days immediately following

discharge from the Armed Forces of the country.] Vacancies created by military leaves shall be filled by teachers or superintendents employed by the board of education under *a* limited *contract of one year or less.* [contracts only]

Section 4. Section 161.750 of the Kentucky Revised Statutes is amended to read as follows:

(1) A *written* limited contract *shall* [may] be entered into by each board of education with each teacher who *is not eligible for a continuing contract as defined in KRS 161.740.* [has not been in the employ of the board for at least four years and shall be entered into, regardless of length of previous employment, with each teacher employed by the board who does not hold a standard or college certificate.]

(2) Any teacher employed under a limited contract and ineligible for a continuing contract shall at the expiration of such limited contract be deemed reemployed under the provisions of KRS 161.720 to 161.810 for the succeeding school year at the same salary plus any increment or decrease as provided by the salary schedule, unless the employing board shall give such teacher written notice on or before the *fifteenth day of May* [thirty-first day of March] of its intention not to reemploy him. Such teacher shall be presumed to have accepted such employment, unless he shall notify the board of education in writing to the contrary on or before the *fifteenth day of June* [first day of May], and a *written* contract for the succeeding year shall be executed accordingly. [Provided, however, that:

[(a) Beginning teachers, who have not been previously employed as a teacher in any school, shall be employed for one year only.

[(b) New teachers who have had at least one year's experience as teacher in other schools may be employed from one to three years at the discretion of the board of education.

[(c) Upon reemployment after the termination of the first contract and subsequent contracts the new contract may be for not less than two years nor more than four years at the discretion of the board.]

Section 5. Section 161.760 of the Kentucky Revised Statutes is amended to read as follows:

(1) Each board of education shall cause notice to be given annually not later than *July 1* [August 1] to each teacher who holds a contract valid for the succeeding school year, stating the best estimate as to the salary to be paid such teacher during such year. Such salary shall not be lower than the salary paid during the preceding school year unless such reduction be a part of a unifrom plan affecting the entire district, *or unless there is a reduction or elimination of extra*

service, administrative and/or supervisory duties and responsibilities of the teacher or other certificate personnel. But nothing herein shall prevent increases of salary after the board's annual notice has been given. *All teachers who refuse assignments shall notify the superintendent in writing not later than July 15. Reassignment of certificated personnel after July 15 shall be made only to fill vacancies created by illness, death or resignations; to reduce or increase personnel because of a shift in school population; to make personnel adjustments after consolidation or merger; to assign personnel according to their major or minor fields of training.*

(2) Reduction of responsibility for a teacher may be accompanied by a corresponding reduction in salary, such reduction shall be or inefficiency, incompetency, or neglect of duty, when a written statement identifying the problems or difficulties has been furnished the teacher, and the teacher shall have the same recourse as is available upon receipt of a notification of dismissal.

(3) Employment of a teacher, under either a limited or a continuing contract, is employment in the school district only and not in a particular position or school.

Section 6. Section 161.790 of the Kentucky Revised Statutes is amended to read as follows:

(1) The contract of a teacher shall remain in force during good behavior and efficient and competent service by the teacher and shall not be terminated except for any of the following causes:

(a) Insubordination, *including but not limited to (1) violations of lawful rules and regulations established by the local board of education for the operation of schools, and (2) refusal to recognize or obey the authority of the superintendent, principal, or any other supervisory personnel of the board in the performance of their duties;* [Insubordination, immoral character or conduct unbecoming a teacher]

(b) *Immoral character or conduct unbecoming a teacher;* [Inefficiency, incompetency, physical or mental disability or neglect of duty. Marriage of a teacher shall not be cause for termination of the contract.]

(c) Physical or mental disability;

(d) Inefficiency, incompetency, or neglect of duty, when a written statement identifying the problems or difficulties has been furnished the teacher or teachers involved.

(2) *(a) Charges on the above causes shall be supported by written records of teacher performance by the superintendent, principal, or other supervisory personnel of the board.*

(b) Marriage of a teacher shall not be cause for termination of the contract.

(3) [2] No contract shall be terminated except upon recommendation of the superintendent and unless the teacher is furnished with a written statement, specifying in detail the charge or charges against said teacher, signed by the *chairman and secretary* [proper officer] of the board of education and naming a date and place at which the teacher may appear before the board of education and answer said charge or charges. Said date for the hearing shall not be less than twenty nor more than thirty days after the service of such charges upon the teacher. The teacher shall within ten days after the receipt of the written statement of such charges notify the board of educaiton of his intention to appear and answer such charges, and upon failure of the teacher to give such notice, the board of education may dismiss the teacher by a majority vote and such dismissal shall be final.

(4) [3] Upon receipt of the teacher's notice of intention to appear and answer such charges, the board of education shall issue such subpoenas as shall be necessary for the determination of the issues involved. The issue shall be heard at the time and place set and the hearing shall be public or private at the discretion of the teacher. Both parties may be represented by counsel and may require the presence of witnesses upon subpoena. Each witness shall be required to take oath or affirmation before an officer of the board of education. The board of education shall provide for a stenographic report of the proceedings and furnish the teacher with a copy. Upon completion of both sides of the case the board of education may by a majority vote dismiss the teacher or may defer its action for not more than five days.

(5) [4] The board of education may, on recommendation of the superintendent, suspend a teacher pending final action to terminate his contract if, in its judgment, the character of the charges warrants such action. If after the hearing the decision of the board is against termination of the contract, the suspended teacher shall be paid his full salary for the period of such suspension.

(6) [5] The teacher shall have a right to make an appeal both as to law and as to fact to the circuit court. If said appeal is not made within thirty days after dismissal, then the decision of the board of education shall be final. Such appeal shall be an original action in said court and shall be commenced by the filing of a petition against such board of education, in which petiiton the facts shall be alleged upon which the teacher relies for a reversal or modification of the order of termination of contract. Upon service or waiver of summons in said appeal, such board of education shall forthwith transmit to the clerk of said court for filing a transcript of the original notice of charges and a transcript of all evidence adduced at the hearing before such board, whereupon the cause shall be at issue without further pleading and shall be advanced and heard without

delay. The court shall examine the transcript and record of the hearing before the board of education and shall hold such additional hearings as it may deem advisable, at which it may consider other evidence in addition to such transcript and record. Upon final hearing, the court shall grant or deny the relief prayed for in the petition as may be proper under the provisions of KRS 161.720 to 161.810 and in accordance with the evidence adduced at the hearing. Either the teacher or the board of education may appeal from the action of the court to the Court of Appeals.

Section 7. All statutes and portions of statutes in conflict herewith are repealed.

Said Committee Amendment to **HB 52** is as follows:

Amend printed copy of **HB 52**, on page 6, line 16, by:

Deleting lines 16 through 21 and inserting in lieu thereof the following:

"(2) Upon recommendation of the superintendent and approval of the board of education reduction of responsibility for a teacher may be accompanied by a corresponding reduction in salary; provided that written notification setting forth the reason or reasons for such reduction shall be furnished the teacher not later than May 15."

HB 217, AN ACT relating to Public Higher Education.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 164.027 is amended to read:

(1) The Council on Public Higher Education shall have authority to provide for a program of occupational qualification development in the Commonwealth. The program may be provided for by contract with any recognized and accredited municipal junior college located within the Commonwealth. Such contract shall provide that the college shall admit to its course of instruction, up to such percentage of its full teaching capacity as may be fixed by contract, residents of the Commonwealth who make application to pursue the course of study of such college; provided however, that such persons shall be certified to the Council as to status of residency by the State Superintendent of Public Instruction and shall be eligible for admission to said junior college.

(2) The Council on Public Higher Education shall pay to the college not more than *$200* [$100] per school year for each such student enrolled. Such payments shall be additional to the annual tuition fees paid by each such student. The Council shall have authority to provide by contract that it pay the expense of specific research projects or programs conducted by the college. The Council shall make an annual report of its occupational qualification develop-

ment program after June 30 of each year, including an accounting of all moneys received and disbursed. The council shall have no authority to incur any obligation in excess of the sums that have been appropriated to it.

HB 127, AN ACT relating to public school textbooks.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 157.170 is amended to read:

(1) Pupils, and parents or guardians of pupils, attending public school shall be entitled to purchase state adopted textbooks issued to the pupil. The Superintendent of Public Instruction, subject to the approval of the State Board of Education, shall make rules and regulations governing the sale of textbooks by superintendents or principals to pupils, parents, or guardians of pupils attending the public schools of the state who desire to hold textbooks as their own property. Principals or superintendents shall not sell textbooks to private or sectarian schools. Books sold under this section shall be sold at the retail contract price. Funds accruing from the sales shall be paid into the treasury.

(2) Each school shall report to the State Board of Education all textbooks sold under the provisions of this section and the State Board of Education shall keep a permanent record of such sales.

HB 58, AN ACT relating to compulsory school attendance.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 159.010 of the Kentucky Revised Statutes is amended to read as follows:

Except as provided in KRS 159.030, each parent, guardian or other person residing in the state and having in custody or charge any child between the ages of seven and sixteen shall send the child to a regular public day school for the full term that the public school of the district in which the child resides is in session, or to the public school that the board of education of the district makes provision for the child to attend. A child's age is between seven and sixteen when the child has reached his seventh birthday and has not passed his sixteenth birthday. Any parent or guardian who elects to send a child six years of age to school shall keep the child in regular attendance. *Any child who reaches his seventh birthday during the school term must enter school at the beginning of that term.* Every child actually resident in this state is subject to the laws relating to compulsory attendance, and neither he nor the person in charge of him shall be excused from the operation of those laws or the penalties under them on the ground that the child's residence is seasonable or that his parent is a resident of another state.

Calendar

SB 124, with Committee Amendment, **SB 149**, **SB 94**, with Committee Amendment, taken from the Calendar and ordered read at length for the second time. Senator Gardner moved that they be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

Orders of the Day

Senator Brizendine moved to take up **SB 22** for concurrence in the House Amendments thereto. Agreed.

Senator Brizendine moved the adoption of House Amendment 1 to **SB 22.** Agreed.

Said House Amendment #1 to **SB 22** is as follows:

Amend printed copy of Senate Bill 22, on Page 1, line 3, by:

inserting and adding after the word "beverage" and before the word "for" the following clause: "and for purposes of care and treatment of handicapped children,"

Senator Brizendine moved the adoption of House Amendment #2 to **SB 22.** Agreed.

Said House Amendment #2 to **SB 22** is as follows:

Amend printed copy of Senate Bill 22 on page 4, after line 27, by:

Adding the following:

"Section 7. This Act becomes effective January 1, 1965.".

On the roll call the vote was yeas 27—Billington, Blue, Bonn, Brizendine, Buckman, Cobb, Derickson, Duffy, Edwards, Engle, Fuqua, Gardner, Garrett, Howard, D. Johnson, F. Johnson, Kelly, Kinkead, Kiser, Layne, Mann, Mobley, Newberry, Palmer, Raybourne, Swope, Van Hoose. Nays 0.

SB 22, as amended, was passed and the title agreed to.

Senator Brizendine moved that the vote by which **SB 22**, as amended, was passed be reconsidered and that said motion be laid on the table. Agreed.

Senator Garrett moved to take up **SB 59** for concurrence in the House Amendment thereto. Agreed.

Senator Garrett moved the adoption of House Amendment to **SB 59.** Agreed.

Said House Amendment to **SB 59** is as follows:

Amend printed copy of **Senate Bill 59**, on page 2, line 20, by:

adding between "new" and "Additional" the word "or"

On the roll coll the vote was yeas 31—Billington, Blue, Bonn, Brand, Buckman, Cobb, Derickson, Duffy, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, Howard, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McGinty, Mobley, Newberry, Nichols, Palmer, Raybourne, Swope, Van Hoose, Ware. Nays 0.

SB 59, as amended, was passed and the title agreed to.

Senator Garrett moved that the vote by which **SB 59**, as amended, was passed be reconsidered and that said motion be laid on the table. Agreed.

Senator Gardner moved to take up **SB 18** for concurrence to the House Amendment to the Title. Agreed.

Senator Gardner moved that the House Amendment to the Title of **SB 18** be adopted. Agreed.

Said House Amendment to Title of **SB 18** is as follows:

"This Act shall be known as the Marvin Edwards—Ralph Bates Act."

SB 106 taken from Orders of the Day and ordered read at length for the third time. Senator Van Hoose moved that it be read by title only. Agreed by a majority of members elected.

Senator Van Hoose moved the Previous Question on **SB 106.** Agreed.

On the roll call the vote was yeas 34—Billington, Blue, Bonn, Brand, Brizendine, Buckman, Cobb, Derickson, Duffy, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, Howard, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Swope, Van Hoose, Ware. Nays 0.

SB 106 was passed and the title agreed to.

Senator Van Hoose moved that the vote by which **SB 106** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 68 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Buckman moved the Previous Question on **SB 68.** Agreed.

On the roll call the vote was yeas 35—Billington, Blue, Bonn, Brand, Brizendine, Buckman, Cobb, Derickson, Duffy, Edwards, Engle, Fuqua, Gardner, Garnett, Gay, Howard, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Swope, Van Hoose. Nays 0.

SB 68 was passed and the title agreed to.

Senator Buckman moved that the vote by which **SB 68** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 89 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the Previous Question on **SB 89.** Agreed.

On the roll call the vote was yeas 34—Billington, Blue, Bonn, Brand, Brizendine, Buckman, Cobb, Derickson, Duffy, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, Howard, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Swope, Van Hoose, Ware. Nays 0.

SB 89 was passed and the title agreed to.

Senator Gardner moved that the vote by which **SB 89** was passed be reconsidered and that said motion be laid on the table. Agreed.

Report of Committees

Committee on Municipalities reported **HB 207, HB 194, HB 15, HB 95, HB 44, HB 100, SB 47, SB 142, SB 123, SB 10, SB 21, SB 33,** with Committee Amendment, **SB 138** with the expression of opinion that same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 207, AN ACT changing the classification of the City of Taylor Mill in Kenton County.

WHEREAS, satisfactory information has been presented to the General Assembly that the population of the City of Taylor Mill, in Kenton County, is such as to justify its being classified as a city of the fifth class,

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

The City of Taylor Mill, in Kenton County, is transferred from the sixth to the fifth class of cities.

HB 194, AN ACT changing the classification of the City of Benham, in Harlan County.

WHEREAS, satisfactory information has been presented to the General Assembly that the population of the City of Benham, in Harlan County, is such as to justify its being classified as a city of the fifth class,

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

The City of Benham, in Harlan County, is transferred from the sixth to the fifth class of cities.

HB 15, AN ACT changing the classification of the City of Cold Spring, in Campbell County.

WHEREAS, satisfactory information has been presented to the General Assembly that the population of the City of Cold Spring, in Campbell County, is such as to justify its being classified as a city of the fifth class,

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

The City of Cold Spring, in Campbell County, is transferred from the sixth to the fifth class of cities.

HB 95, AN ACT changing the classification of the City of Stanton, in Powell County. This Bill shall be known as "The B. E. "Nig." Billings Bill".

WHEREAS, information has been presented to the General Assembly that the population of the city of Stanton, in Powell County, has increased from 628 to 1,493 since the last session of the General Assembly; and

WHEREAS, the population of such City of Stanton is now such as to justify its being classified as a city of the fifth class,

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

The City of Stanton, in Powell County, is transferred from the sixth to the fifth class of cities.

HB 44, AN ACT changing the classification of the City of Muldraugh, in Meade County.

WHEREAS, satisfactory information has been presented to the General Assembly that the population of the City of Muldraugh, in Meade County, is such as to justify its being classified as a city of the fifth class,

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. The City of Muldraugh, in Meade County, is transferred from the sixth to the fifth class of cities.

HB 100, AN ACT relating to boards of waterworks of first class cities.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 96.250 is amended to read:

The board of waterworks shall annually elect a president, treasurer, secretary and chief engineer, who shall hold their offices for one year, or until their successors have been elected and qualified, and devote all their time to the duties of their respective offices. *The member elected president shall have had at least five years executive or major administrative experience in public utility operation or administration. The offices of secretary and treasurer may at the election of the board, be combined in one person.* No member of the board except the president shall receive a salary, but the board may allow *reasonable* compensation to each member other than the president for attendance upon the meetings of the board [, not exceeding ten dollars for each meeting attended]. The president shall be elected from the members of the board. The president, secretary and treasurer, *or the secretary-treasurer if the offices are combined in one person,* shall each give bond, with approved surety, in an amount fixed by the board, payable to the board and conditioned that the makers will faithfully perform the duties of their several offices. The board may appoint such other employes as it deems necessary or proper and may fix the compensation of its officers and employes.

SB 47, AN ACT relating to real property owned by cities.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 82.060 is amended to read:

(1) All cities are hereby authorized to sell any real estate owned by them and surplus to their needs, *including property acquired for or held in trust for park purposes, whether by purchase or by grant,* when the public purpose to which said real estate has been dedicated has

been abandoned, *or is no longer needed or suitable for such purposes* [as to said real estate].

(2) Before any real estate acquired for or held in trust for park purposes shall be offered for sale it must be determined by ordinance that such real estate is no longer needed or suitable for park purposes, and the proceeds of sale thereof shall be reinvested by the city in other park property or to the improvement of existing parks, and the purchaser shall not be required to look to the application of the proceeds of such sale.

SB 142, AN ACT relating to mayors of third class cities.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 85.230 is amended to read:

(1) The mayor shall be the chief executive officer of the city. He shall be elected by the qualified voters of the city for a term of four years and shall enter upon the discharge of his duties on the first Monday in January next after his election, and hold office until his successor is elected and qualified.

(2) No person shall be eligible to the office of mayor who is not eligible to the office of councilman, except as to residence in any particular ward.

[(3) The mayor shall be ineligible to serve more than two successive four-year terms.]

SB 123, AN ACT relating to the bonds and notes of Kentucky municipalities and other taxing districts.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

The principal of and interest on notes or bonds issued by any city, county, school district, or other taxing district shall be payable without deduction by the issuing authority or its paying agent for any exchange, collection or service charge regardless of the place of payment.

SB 10, AN ACT changing the classification of the city of Park Hills, in Kenton County.

WHEREAS, satisfactory information has been presented to the General Assembly that the population of the City of Park Hills, in Kenton County, is such as to justify its being classified as a city of the fourth class,

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

The City of Park Hills in Kenton County, is transferred from the fifth to the fourth class of cities.

SB 21, AN ACT changing the classification of the city of Alexandria, in Campbell County.

WHEREAS, satisfactory information has been presented to the General Assembly that the population of the city of Alexandria, in Campbell County, is such as to justify its being classified as a city of the fifth class,

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

The city of Alexandria, in Campbell County, is transferred from the sixth to the fifth class of cities.

SB 33, AN ACT relating to pension funds.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A city of the third class may adopt an ordinance creating a pension fund for firemen and policemen pursuant to this Act as an alternative to the fund established in KRS 95.520 to 95.620. In the event a third class city does elect to adopt this act all the provisions herein are mandatory.

Section 2. (1) There shall be created in cities of the third class a policemen's and firemen's pension fund, and a board of trustees for that fund.

(2) In cities of the third class the board of trustees of the policemen's and firemen's pension fund shall be composed of the mayor, city treasurer, chief of the police department, chief of the fire department and one member each from the police and fire departments. The members from the police and fire departments shall be elected by the respective members of those departments annually by ballot, one from each department, and shall serve for one year and until their successors are elected and qualified. The board shall select from their number a president and a secretary. The board of trustees shall be the trustees of the pension fund and of all moneys donated or paid for the relief or pensioning of members of the police and fire departments. It may do all things necessary to protect the fund.

Section 3. (1) The board of trustees of the pension fund may make all necessary rules for its government in the discharge of its duties, and shall hear and decide all applications for benefits or pensions. Its decision on these applications shall be conclusive, and not subject to revision or reversal, except by the board except as provided in subsection (1) of section 5 of this Act. A record shall be kept of the meetings and proceedings of the board.

(2) The board of trustees of the pension fund shall make an annual report on the condition of the pension fund to the city commission at its first meeting in May of each year.

(3) The city attorney shall, if requested, advise the board of trustees of the policemen's and firemen's pension fund in all matters pertaining to its duties and to the management of the fund. He shall represent and defend the board in all actions that may be brought against it, and bring all action in its behalf that may be required by the board.

Section 4. The pensions or benefits for disability or death from the policemen's and firemen's pension fund in cities of the third class shall be as follows:

(1) If any member of the police and fire department becomes temporarily totally disabled, physically or mentally, while in the performance of duty and by reason of service in the department, the board of trustees of the pension fund shall order paid to him monthly, during his disability, until he has recovered and returned to active duty a sum of not more than one-half of his salary per month, the amount to be determined by the board. This provision shall not apply if a salary is paid during the same period.

(2) If any member of the police or fire department becomes permanently disabled, physically or mentally, while in the performance of duty and by reason of service in the department, so as to render necessary his retirement from service in the department, the board of trustees shall retire him from service and order paid to him monthly fifty percent of his monthly salary at the time of his retirement.

(3) If any member of the police or fire department is killed or dies as the result of an injury received in the performance of duty, or dies of any disease contracted by reason of his occupation, or dies while in the service from any cause as a result of his service in the department, or dies in service or while on the retired list from any cause after one year of service in the department, and leaves a widow or a child under eighteen years of age the board of trustees shall order a pension paid to the widow, while unmarried, of one-half of salary per month and for each child until it reaches the age of eighteen years, twenty four dollars per month. If the deceased member was unmarried and childless, a pension shall be paid to his dependent father and mother of one-fourth of salary per month. If one parent is dead, the other shall receive the entire one-fourth salary.

Section 5. (1) In cities of the third class, any member of the police or fire department having served twenty years or longer consecutively in the police or fire department may petition the board of trustees for retirement, and if his petition is granted the board may order paid to him monthly fifty percent of his monthly salary at the time of retirement. If this petition for retirement is denied, any policeman or fireman has the right of appeal in accordance with the rules of civil procedure.

(2) The pension payable for periods of service between twenty and twenty-five years shall be fifty percent of salary plus two percent of salary for each year in excess of twenty. The pension payable for twenty-five years of service shall be sixty percent of salary. The pension payable for periods of service between twenty-five and thirty years shall be sixty percent of salary plus three percent of salary for each year in excess of twenty-five. The pension payable for thirty days of service shall be seventy-five percent of salary.

Section 6. Any member of the police or fire department of a city of the third class, who, while a member of the police or fire department, entered the Armed Forces of the United States, and who was honorably discharged therefrom shall upon his return to that police or fire department, and his time served in the Armed Forces shall be added to his previous service and shall be construed for purposes of eligibility for pensions or benefits, either for himself or his beneficiaries, as a part and continuation of his consecutive years of service with that police or fire department; provided this section shall apply only to those members who served in World War II or any emergency conflict called by the President of the United States, who apply for reinstatement within ninety days after the date on which the member first received or could have received an honorable discharge, and shall not apply to those members re-enlisting in the Armed Forces of the United States.

Section 7. When an active or retired member of the police or fire department dies under the conditions set out in subsection (3) of Section 4 of this Act the board of trustees of the pension fund may pay from the fund to the widow or family a sum of not more than one hundred dollars, for funeral expenses.

Section 8. (1) The policemen's and firemen's pension fund in cities of the third class shall consist of:

(a) The proceeds of an annual tax levied by the board of commissioners, the amount to be determined by the commissioners and the board of trustees of the pension fund each year. Policemen and firemen shall contribute three percent of their salary.

(b) All rewards, fees, gifts and emoluments paid or given on account of extraordinary service of any member of the police or fire department.

(2) Both the principal and interest of the pension fund shall be applicable to the payment of pensions in cities of the third class.

Section 9. (1) The city treasurer shall be ex-officio treasurer of the board of trustees of the pension fund, and custodian of the pension funds.

(2) The treasurer, as custodian, shall securely keep the fund, subject to the control of the board, and shall keep his books and accounts concerning the fund in such manner as may be prescribed by the board. The books and accounts shall always be subject to the inspection of the board or any board member.

(3) The treasurer shall, within ten days after his election, execute a bond to the city with good surety, in such penal sum as the board of trustees directs, to be approved by the board, conditioned for the faithful performance of the duties of his office, and that he will safely keep and well and truthfully account for all money and properties that come into his hands as treasurer of the pension fund, and that upon the expiration of his term of office he will deliver to his successor all securities, unexpended moneys and other properties that come into his hands as treasurer of the fund. The bond shall be filed in the office of the treasurer, and suit may be filed thereon in the name of the city for the use of the board or any person injured by its breach.

Section 10. (1) In case of insufficient funds the city will be held responsible for the payment of the monthly payments of the pension fund after the entire proceeds of said pension fund has been transferred to the general fund of the city of the third class.

(2) The tax which is to be levied by the board of commissioners to support the pension fund shall be computed by determining the amount needed to meet the monthly requirements of this act.

Section 11. Any member of the police or fire department serving at the time of the passage of this ordinance and not desiring to participate in the fund and its benefits may be excluded by notifying the board of trustees of the pension fund in writing of his desire not to participate within ten days after the effective date of this ordinance.

Said Committee Amendment to **SB 33** is as follows:

Amend printed copy of Senate Bill 33 on page 4, line 17, by: deleting the words "thirty days" and inserting the words "thirty years"

SB 138, AN ACT relating to planning and zoning in cities of the first class and in counties containing such cities.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 100.036 is amended to read:

(1) The commission, when created, shall be composed of four ex officio members, who shall be the mayor and the director of works of such city and the county judge and the road engineer of such county, and six appointed members, three of whom shall be appointed by the mayor of such city and three of whom shall be appointed by the county judge of such county. The three members appointed by the mayor shall be residents within the corporate boundaries of such cities. The three members appointed by the county judge shall be residents of that portion of the county lying outside of the corporation boundaries of such city. The appointments of the original members shall be made immediately upon KRS 100.031 to 100.097 becoming effective as herein provided. No appointed member shall hold any other public office or position. The terms of office of ex officio members shall correspond to their respective official tenures. The term of office of each of the appointed members shall be three years, except that the terms of office of the members first appointed by said mayor and said county judge, respectively, shall be one each for one year, one each for two years and one each for three years. Upon the expiration of the term of office of any appointed member, his successor shall be appointed within five days by the mayor or the county judge, as the case may be. Vacancies occurring otherwise than through the expiration of term of office shall be filled for the unexpired terms only by the mayor or the county judge, as the case may be. The members of the commission shall, before entering upon their duties as such, qualify by taking the necessary oath of office before the county judge of the county court of such county. An appointed member may be removed by the appointing officer, the mayor or the county judge, as the case may be, for inefficiency, neglect of duty, malfeasance, or improper conduct. The appointing officer shall file with the commission a written statement setting forth the reasons for such removal.

(2) Each member of the commission, except ex officio members, shall receive *a* [the] sum *not to exceed fifty* [of ten] dollars for each meeting of the commission attended by such member, but no member of said commission shall be paid more than *fifteen* [two] hundred [and fifty] dollars during any fiscal year of the commission, nor for more than *thirty* [twenty-five] meetings held during any fiscal year of said commission.

Orders of the Day—continued

SB 136 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Raybourne moved the Previous Question on **SB 136**. Agreed.

On the roll call the vote was yeas 28—Billington, Bonn, Brizendine, Buckman, Duffy, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, Howard, D. Johnson, F. Johnson, Kelly, Kidwell, Layne, Mann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Swope, Van Hoose, Ware. Nays 0.

SB 136 was passed and the title agreed to.

Senator Raybourne moved that the vote by which **SB 136** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 54 taken from Orders of the Day with Committee Amendment attached thereto, and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Mann moved the adoption of the Committee Amendment to **SB 54**. Agreed.

Senator Mann moved the Previous Question on **SB 54**, as amended. Agreed.

On the roll call the vote was yeas 31—Billington, Blue, Bonn, Brizendine, Buckman, Duffy, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, Howard, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Layne, Mann, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Swope, Van Hoose, Ware. Nays 0.

SB 54, as amended, was passed and the title agreed to.

Senator Mann moved that the vote by which **SB 54**, as amended, was passed be reconsidered and that said motion be laid on the table. Agreed.

Senator Gay moved to take **SB 75** from the Clerk's Desk for consideration. Agreed.

Senator Gay offered Amendment # 1 to **SB 75** and moved its adoption. Agreed.

Said Amendment #1 to **SB 75** is as follows:

Amend printed copy of Senate Bill 75 on page 1, line 1, by: striking the word "shall" and inserting in lieu thereof the word "may" and on page 1, line 2, by inserting at the end of said line the following: "any change in the method of paying such salaries adopted under this section shall not be effective to increase the salaries or to affect the time at which the teachers are required to work."

Senator Gay moved the Previous Question on **SB 75**, as amended. Agreed.

On the roll call the vote was yeas 18—Blue, Bonn, Brizendine, Duffy, Edwards, Engle, Fuqua, Garrett, Gay, Layne, Mann, Miller, Mobley, Newberry, Palmer, Raybourne, Swope, Van Hoose. Nays 1—Buckman.

SB 75, as amended, was passed and the title agreed to.

Senator Gay moved that the vote by which **SB 75**, as amended, was passed be recondisered and that said motion be laid on the table. Agreed.

SB 30 taken from Orders of the Day with Committee Amendment attached thereto, and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gay moved the adoption of the Committee Amendment to **SB 30.** Agreed.

Senator Gay offered Amendment #2 to **SB 30** and moved its adoption. Agreed.

Said Amendment #2 to **SB 30** is as follows:

Amend printed copy of Senate Bill 30 on page 3, by: deleting lines 5 to 15 in their entirety.

On the roll call the vote was yeas 24—Blue, Bonn, Brand, Brizendine, Buckman, Cobb, Duffy, Engle, Fuqua, Gardner, Gay, Howard, D. Johnson, Kelly, Mann, McCann, Mobley, Newberry, Nichols, Palmer, Raybourne, Swope, Van Hoose, Ware. Nays 0.

SB 30, as amended, was passed and the title agreed to.

Senator Gay moved that the vote by which **SB 30**, as amended, was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 143 taken from Orders of the Day with Committee Amendment attached thereto, and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Garrett moved the adoption of the Committee Amendment to **SB 143.** Agreed.

Senator Garrett offered Amendment #2 to **SB 143** and moved its adoption. Agreed.

Said Amendment #2 to **SB 143** is as follows:

Amend printed copy of Senate Bill 143 on page 2, line 3, by:

Striking out the word "contracts" and substituting therefor the word "contract".

And, on page 2, line 12, after the words *"personal property"*, add the words: *"including after-acquired property,"*.

And, on page 3, line 9, strike out the word *"personal"*.

On the roll call the vote was yeas 30—Billington, Blue, Bonn, Brizendine, Buckman, Cobb, Derickson, Duffy, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, Howard, F. Johnson, Kelly, Kidwell, Kinkead, Layne, Mann, McCann, McGinty, Miller, Mobley, Nichols, Palmer, Raybourne, Swope, Ware. Nays 0.

SB 143, as amended, was passed and the title agreed to.

Senator Garrett moved that the vote by which **SB 143**, as amended, was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 58 taken from Orders of the Day, with Committee Amendments attached thereto, and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Palmer moved the adoption of Committee Amendment #1 to **SB 58.** Agreed.

Senator Palmer moved the adoption of Committee Amendment #2 to **SB 58.** Agreed.

Senator Palmer moved the Previous Question on **SB 58**, as amended. Agreed.

On the roll call the vote was yeas 29—Billington, Blue, Bonn, Brizendine, Buckman, Cobb, Deriskson, Duffy, Engle, Fuqua, Gardner, Garrett, Gay, Howard, D. Johnson, F. Johnson, Kelly, Kinkead, Layne, McCann, McGinty, Mobley, Newberry, Nichols, Palmer, Raybourne, Swope, Van Hoose, Ware. Nays 0.

SB 58, as amended was passed and the title agreed to.

Senator Palmer moved that the vote by which **SB 58**, as amended, was passed be reconsidered and that said motion be laid on the table. Agreed.

Announcement of Committee Meeting

Senator Palmer, Chairman, announced a meeting of the Committee on Agriculture and State Fair for 10:00 A.M., Tuesday, March 3, in Room 327.

Senator Gardner moved that the Senate adjourn until 3:00 P.M., Monday, March 2. Agreed.

MONDAY, MARCH 2, 1964
FORTY-FOURTH LEGISLATIVE DAY

The Senate was called to order by the President.

Prayer by the Reverend H. Ward Jackson, Rector of the Episcopal Church of the Ascension, Frankfort.

The roll was called. All present except Senator Brizendine, who was granted leave of absence on motion of Senator McCann.

Reading of the Journal for February 28 dispensed with and the same approved on motion of Senator McCann.

Communication

The Clerk read the following communication to Senator Kinkead.

February 28, 1964

Honorable Shelby C. Kinkead
State Senator
Frankfort, Kentucky

Dear Senator:

Senator Anderson plans to fly to Kentucky on March 12 to address the General Assembly. He is scheduled to arrive at Lexington at 10:08 a.m. aboard Eastern Airlines Flight 415. He plans to leave from Louisville at 5:30 p.m. that day aboard Eastern Airlines Flight 406.

Would it be possible to have him picked up at Bluegrass Field and later in the day driven to Louisville in order to meet his departure schedule?

We are working on the assumption that the Legislature convenes at noon and would appreciate having any details.

Incidentally, I think we met here at Dick Harwood's one evening during Wilson Wyatt's campaign for the Senate.

Sincerely yours,
Howard Bray
Press Secretary to
Senator Clinton P. Anderson

HB:dc

Recess

Senator McCann moved that the Senate recess for fifteen minutes for the purpose of having a meeting of the Committee on Municipalities in Room 327. Agreed.

At the appointed hour the President resumed the chair and called the Senate to order.

Introduction of Bills and Resolutions

SB 205, by Senators Newberry and Van Hoose: AN ACT relating to motor carriers.

SB 206, by Senator Kinkead: AN ACT relating to the registration of aircraft.

SB 207, by Senator Gardner: AN ACT relating to the Industrial Development Finance Authority.

SB 208, by Senator Buckman: AN ACT relating to Notaries Public.

SB 209, by Senator Buckman: AN ACT relating to corporate fiduciaries.

SB 210, by Senator Buckman: AN ACT relating to the Statutes of Limitations governing the bringing of certain types of actions for wrongful death, personal injuries or damage to real or personal property.

SB 211, by Senator Buckman: AN ACT relating to restrictions on sale of alcoholic beverages.

SB 212, by Senators Howard, Kinkead, and Kelly: AN ACT relating to the Uniform Commercial Code.

SR 32, by Senator Buckman: A JOINT RESOLUTION appropriating funds to the Division of Air Patrol.

SR 33, by Senator Garrett: A RESOLUTION requesting and petitioning the Tennessee Valley Authority and the Governors of Kentucky and Tennessee to proceed with the establishment of a national recreational area Between-the-Lakes.

WHEREAS, the President of the United States has announced that the Tennessee Valley Authority will develop a national recreation area in the 170,000 acre area between Kentucky Lake and Barkley Lake, two-thirds of the land being in Kentucky and the remainder in Tennessee; and

WHEREAS, much of the area is already owned by the Federal Government; and

WHEREAS, the Tennessee Valley Authority has indicated an expenditure of approximately thirty-five million dollars during the next five years on development of the area; and

WHEREAS, it has been indicated by the National Park Service and Bureau of Outdoor Recreation that development of this area would provide one of the finest internal recreation areas in the United States; and

WHEREAS, development of the project will demonstrate how an area with limited timber, agricultural and industrial resources can be converted into an asset that will stimulate economic growth of the region and provide for the prosperity of the inhabitants therein.

NOW, THEREFORE,

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Tennessee Valley Authority and the Governors of Kentucky and Tennessee are hereby urged to proceed immediately with all actions necessary to assure development of this area as a national recreation area as directed by the President of the United States.

Section 2. The clerk of the Senate of the General Assembly is directed to transmit copies of this resolution to the Tennessee Valley Authority and the Governors of Kentucky and Tennessee.

Senator Garrett moved the adoption of **SR 33.** Agreed.

SR 34, by Senator Spence: A RESOLUTION requesting the Governor to appoint a Commission to investigate mineral holding corporations.

Senator Spence moved that **SR 34** be laid on the Clerk's Desk. Agreed.

House Message

Announcing passage of **SR 27.**

Report of Committees

Committee on Conservation reported **SB 163** with the expression of opinion that same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 163, AN ACT relating to conservation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. (1) There is hereby created in the Department of Conservation, a conservation board composed of seven (7) members appointed by the Governor upon the recommendation of the Commissioner of the Department of Conservation.

(2) The board shall be advisory to the Commissioner and to the Department of Conservation. The members of the board shall be

citizens and residents of the state, selected with reference to their training and experience in relation to the principal activities required of the Department of Conservation.

(3) The term of office shall be for four (4) years concurrent with that of the Governor or until their successor has been qualified.

(4) No member of the board shall be a candidate for or hold any public office other than that of member of the board; nor shall he be a member of any committee of a political party.

Committee on Banking and Insurance reported **SB 95** with the expression of opinion that same should pass with the Committee Amendment attached thereto. Read at length for the first time and ordered placed in the Calendar.

SB 95, AN ACT relating to automobile liability insurance; uninsured-vehicle coverage and insolvent insurer protection.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. New sections of Chapter 304 of the Kentucky Revised Statutes are created to read as follows:

Section 2. As used in this Act, unless the context otherwise requires:

(1) A "Motor-Vehicle Liability Policy" means an automobile owner's or operator's policy of bodily injury liability insurance issued by an insurance carrier duly authorized to transact business in the Commonwealth of Kentucky to or for the benefit of the person named therein as insured.

(2) "Insured" means the named insured and, while resident of the same household, the spouse of any such named insured and relatives of either, while in a motor-vehicle or otherwise and any person who uses, with the consent, expressed or implied, of the named insured, the motor-vehicle to which the policy applies, and a guest in such motor-vehicle as to which the policy applies or the personal representative of any of the above.

(3) "Uninsured Motor-Vehicle" includes a motor-vehicle as to which:

(a) There is no bodily injury liability insurance.

(b) There is bodily injury liability insurance with limts less than the amounts requred by law; but, it will be considered uninsured only for that amount between the limit carried and the limit required by law.

(c) There is bodily injury liability insurance in existence, but the insurance company writing the same has denied coverage thereunder.

(d) There is bodily injury liability insurance in existence, but the liability insurer thereof is unable to make payment with respect to the legal liability of its insured within the limits specified therein because of insolvency at the time of the accident, or within one year after such accident. An insurer's insolvency protection shall be applicable only to accidents occurring during a policy period in which its insured's uninsured motorist coverage is in effect where the liability insurer of the tort-feasor becomes insolvent within one year after such an accident.

(e) There is no bond or deposit of cash or securities in lieu of such bodily injury insurance equalling the amount prescribed in KRS 187.330(3).

(f) The owner or operator thereof is unknown, provided:

(1) That there was actual physical contact between the motor-vehicle of the insured and the unknown owner or operator and;

(2) That recovery under the endorsement or provisions shall be subject to the conditions set forth in Section 6 of this Act.

(4) "Uninsured Motor-Vehicle" shall not include:

(a) A motor-vehicle or trailer defined as an insured motor-vehicle under the policy referred to in Section 3.

(b) A motor-vehicle or trailer owned by or furnished for the regular use of the named insured or a relative;

(c) A motor-vehicle or trailer owned or operated by a self-insurer within the meaning of any motor-vehicle financial responsibility law, motor carrier law or any similar law;

(d) A motor-vehicle or trailer operated on rails or crawler-treads, or while located for use as a residence or premises and not as a vehicle;

(e) A farm type tractor or equipment designed for use principally off public roads, except while actually upon public roads;

(f) A motor-vehicle or trailer owned by any Federal, State, Territorial, Provincial or Municipal Government, or a political subdivision, department or agency of any of them.

Section 3. No motor-vehicle liability policy covering liability arising out of the ownership, maintenance or use of any motor-vehicle shall be delivered or issued for delivery in the Commonwealth of Kentucky with respect to any motor-vehicle registered or principally garaged within the Commonwealth, unless it contains an endorsement or provisions undertaking to pay the insured all sums which he shall be legally entitled to recover as damages from the owner or operator of an uninsured motor-vehicle because of bodily injury, sickness or disease, including death resulting therefrom, within limits not less than the requirements of KRS 187.330(3). Provided, however, that the coverage required under this section shall not be applicable where any insured named in the policy shall reject the coverage in writing, and provided further that, unless the named insured subsequently requests such coverage in writing, such coverage need not be provided in or supplemental to a renewal policy where the named insured had rejected in writing the coverage in connection with a policy previously issued to him by the same insurer.

Section 4. No such endorsement or provisions shall contain a provision requiring arbitration of any claim arising under any such endorsement or provisions; nor shall the insured be restricted or prevented in any manner from employing legal counsel, instituting legal proceedings, or prosecuting to judgment any action against any person who may be legally liable therefor.

Section 5. Upon the commencement of legal proceedings against the owner or operator of any uninsured motor-vehicle, service shall be made upon the insurance company issuing the policy as prescribed by law as though such insurance company were a party defendant. Such company shall thereafter have the right to file pleadings and to take other action allowable by law in the name of the owner or operator of the uninsured motor-vehicle or in its own name; provided however, that nothing in this paragraph would prevent such owner or operator from employing counsel of his own choice and taking action in his own interest in connection with such proceeding.

Section 6. If the owner or operator of any vehicle causing injury or damages be unknown, such action may be instituted against the unknown defendant as 'John Doe', and the service of process may be made by delivery of a copy of the complaint, motion for judgment, or other pleadings, to the clerk of the court in which the action is brought, and service shall be made upon the insurance company issuing the policy as prescribed by law as though such insurance company were a party defendant. Such company shall have the right to file pleadings and take other action allowable by law in the name of John Doe.

Section 7. An insurer paying a claim under the endorsement or provisions required by this Act shall be subrogated to the rights of the insured to whom such claim was paid against the person causing such injury, death or damage, to the extent that payment was made; including the proceeds recoverable from the assets of an insolvent insurer; provided, that the bringing of an action against the unknown owner or operator as John Doe, or the conclusion of such an action, shall not constitute a bar to the insured, if the identity of the owner or operator who caused the injury or damages complained of becomes known, bringing an action against the owner or operator theretofore proceeded against as John Doe; provided, that any recovery against such owner or operator shall be paid to the insurance company to the extent that such insurance company paid the named insured in the action brought against such owner or operator as John Doe, except that such insurance company shall pay its proportionate part of any reasonable costs and expense incurred in connection therewith, including attorneys' fees. Any suit for subrogation by the insurer may be brought in the name of the insured or the insurer, at the option of the insurer.

Section 8. Any motor-vehicle liability policy which provides the coverage required by this Act may also provide for any lawful limits in excess of, or in addition to, the required limits and the excess or additional limits shall not be subject to the provisions of this Act.

Section 9. No motor-vehicle liability policy containing the coverage required by this Act shall be issued, delivered or used until it has been filed with and approved by the Commissioner of Insurance as provided in KRS 304.657, and no modification of the coverage required by this Act shall be issued, delivered or used unless the policy form containing such modification has also been filed with and approved by the Commissioner of Insurance.

Section 10. This Act shall take effect with respect to automobile liability and motor-vehicle liability policies or renewals with an inception date on and after October 1, 1964.

Committee Amendment to **SB 95** is as follows: Amend printed copy of Senate Bill 95 on page 4, by deleting lines 14 through 19 in their entirety, and adding lieu thereof the following:

"Section 4. No such endorsement or provisions shall contain a provision requiring arbitration of any claim arising under any such endorsement or provisions; however, nothing contained herein shall be construed as prohibiting the voluntary arbitration of an existing dispute by agreement of the parties. Nor shall the insured be restricted or prevented in any manner from employing legal counsel, instituting legal proceedings, or prosecuting to judgment any action against any person who may be legally liable therefor."

Committee on Education reported **SB 156, SB 128, SB 130, SB 173** with the expression of opinion that same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 156, AN ACT relating to Boards of Education.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. (1) Each board of education may set aside funds to provide for liability and indemnity insurance against the negligence of the individual members of the board.

(2) The insurance policy or indemnity bond shall be issued by some surety or insurance company authorized to transact business in this State, and shall bind the company to pay any final judgment not to exceed the limits of the policy rendered against the insured for loss or damage to property of any school child or other person.

SB 128, AN ACT relating to prayer.

WHEREAS, it is common knowledge of students of constitutional law, that our forefathers and founders of the United States Constitution were extremely sensitive to the question of separation of church and state. But, during the founders' labor upon this arduous and unique instrument, when they would become so embroiled in their differences of opinion and interests, the great Benjamin Franklin would ask that they recess, and in solitude, through the mode of prayer, seek Divine guidance and direction in their continuing and difficult undertaking. Otherwise, the wonderful instrument we call our Constitution would never have become a reality. These devout men of different denominations and faiths clearly demonstrated their faith in prayer and without Bible reading, they would not have acquired the knowledge of prayer.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. (1) Any teacher in a public school who wishes to read from the Bible may do so. If he desires to have a time of prayer, whether silently or vocally, he may do so.

(2) Chapel services may be held at any time the school authorities deem it advisable in a public school or school system.

(3) No person who teaches in a public school may stress any particular denominational religious belief.

(4) This section is not to be construed as being adverse to any decision which has been or may be rendered by any court of competent jurisdiction.

SB 130, AN ACT relating to public schools.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Any superintendent of schools or any member of a board of education who names or appoints to any public office or employment any relative of the superintendent or of any board member, within the fourth degree, either by consanguinity or affinity, shall thereby forfeit his office or employment.

SB 173, AN ACT relating to education.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. (1) The board of education of any city or local school district may, subject to the approval of the state department of education, provide for four quarters of school in a calendar year. In any such case school shall be open for instruction with pupils in attendance for not less than fifty-nine days in each quarter. Students shall be assigned by the board of education to three of the four quarters so provided.

(2) The state department of education may issue rules and regulations for the proper administration of this section.

Committee on Executive and Legislative Affairs reported **SB 178** with the expression of opinion that same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 178, AN ACT relating to the payment of wages to employes.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of the Kentucky Revised Statutes is created to read as follows:

As used in Sections 337.020 through 337.070 of the Kentucky Revised Statutes unless the context requires otherwise:

(1) "Employ" includes to suffer or permit to work;

(2) "Employer" includes any individual, partnership, association, corporation, business trust, or any person or group of *persons* acting directly or indirectly in the interest of an employer in relation to an employe.

(3) "Wage" or "wages" means compensation due to an employe by reason of his employment subject to such deductions, charges, or allowances as may be permitted by Federal or Kentucky Statutes.

(4) "Employe" includes any individual employed by an employer.

Section 2. Section 337.020 of the Kentucky Revised Statutes is amended to read as follows:

Every *employer* [corporation for pecuniary profit doing business in this state] shall, as often as semimonthly, pay to each of its employes all wages earned by him to a day not more than eighteen days prior to the date of that payment. Any employe who is absent at the time fixed for payment, or who, for any other reason, is not paid at that time, shall be paid thereafter at any time upon six days' demand. Any employe who leaves or is discharged from his employment shall be paid *his wages* in full following his dismissal or voluntary leaving at any time upon three days demand. [No corporation subject to this section shall, by any means, secure exemption from it. Every such employe shall have a right of action against any such corporation for the full amount of his wages due on each regular pay day.]

Section 3. Section 337.030 of the Kentucky Revised Statutes is amended to read as follows:

Every employer shall pay the wages of an employe in legal tender of the United States, or official money orders of the United States, or negotiable checks or drafts on banks convertible into cash on demand at full face value and dated not later than the day upon which given.

[Every person owning or controlling any factory, mine or workshop in this state and every corporation shall pay its wage earners for their labor in lawful money.]

Section 4. A new section of the Kentucky Revised Statutes is created to read as follows:

"Employe" as used in Section 337.030 of the Kentucky Revised Statutes includes any individual employed by an employer, an agent, and an independent contractor.

Section 5. A new section of the Kentucky Revised Statutes is created to read as follows:

The Department of Labor shall have authority and jurisdiction over the administration, enforcement, and prosecution of Sections 337.020 through 337.070 of the Kentucky Revised Statutes.

Section 6. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) Any employer who fails to pay wages in accordance with the provisions of Sections 337.020 through 337.060 of the Kentucky Revised Statutes shall be liable to such employe affected for the full amount of such wages, less any amount actually paid to such employe by the employer, and for such costs, legal interest, and such reasonable attorney's fees as may be allowed by the court. Any agreement between such employe and the employer for the payment of wages contrary to the provision of Sections 337.020 through 337.060 of the Kentucky Revised Statutes shall be no defense to such action.

(2) At the written request of any employe not paid wages in accordance wtih the provisions of Sections 337.020 through 337.060 of the Kentucky Revised Statutes, the Commissioner of the Department of Labor may take an assignment of such wage claim in trust for the assigning employe and may bring any legal action necessary to collect such claim, and the employer shall be required to pay the

costs, legal interest, and such reasonable attorney's fees as may be allowed by the Court.

Committee on Suffrage, Elections and Constitutional Amendments reported **SB 194** with the expression of opinion that same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 194, AN ACT relating to places of public accommodation, resort, and amusement.

WHEREAS, it is the policy of the Commonwealth of Kentucky to encourage fair treatment for all its citizens and to discourage discrimination against racial and religious minorities; and

WHEREAS, racial discrimination in the operation of places of public accommodation, resort, or amusement is detrimental to the social and economic health of the Commonwealth; and

WHEREAS, such discrimination represents an affront to the dignity of the individual against whom it is directed; and

WHEREAS, such discrimination intensifies group conflicts, thereby resulting in grave injury to the public health and welfare; and

WHEREAS, such discrimination undermines the foundations of a free and democratic state;

NOW THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. The public policy of this Commonwealth is to assure equal opportunities to all individuals and to safeguard their access to places of public accommodation, resort, or amusement regardless of race, color, religious creed, ancestry or national origin.

Section 2. (a) As used in the act unless the context requires otherwise, the words "Place of Public Accommodations" shall be defined as:

(1) any in, hotel, motel, or other establishment which provides lodging to transient guests, other than an establishment located within a building which contains not more than five rooms for rent or hire and which is actually occupied by the proprietor of such establishment as his residence;

(2) any restaurant, cafeteria, lunch room, lunch counter, soda fountain, of other facility principally engaged in selling food for consumption on the premises, including, but not limited to, any such

facility located on the premises of any retail establishment; or any gasoline station;

(3) any motion picture house, theater, concert hall, sports arena, stadium or other place of exhibition or entertainment; and

(4) any establishment (A) which is physically located within the premises of any establishment otherwise covered by this subsection, or within the premises of which is physically located any such covered establishment, and (B) which holds itself out as serving patrons of such covered establishment.

(b) A private club is not a place of public accommodation if its policies are determined by its members and its facilities or services are available only to its members and their bona fide guests.

(c) "Commission" means the Commission on Human Rights.

Section 3. It is an unlawful discriminatory practice for any person, being the owner, lessee, proprietor, manager, superintendent, agent or employe of any place of public accommodation, resort or amusement, to:

(1) Refuse, withhold from, or deny any person, either directly or indirectly, or discriminate against or segregate any person in, any of the accommodations, advantages, facilities, services, or privileges of the places of public accommodations, resort or amusement because of his race, color, religious creed, ancestry or national origin.

(2) Publish, circulate, issue, display, post or mail, either directly or indirectly, any written or printed communication, notice or advertisement to the effect that any of the accommodations, advantages, facilities and privileges of any such place shall be refused, withheld from or denied to any person on account of race, color, religious creed, ancestry or national origin or that the patronage or custom thereat of any person, belonging to or purporting to be of any particular race, color, religious creed, ancestry or national origin is unwelcome, objectionable or not acceptable, desired or solicited, or make or cause to be made any written or oral inquiry or record concerning the race, creed, color or national origin of a person seeking service in any place of public accommodation, resort or amusement.

Section 4. In the enforcement of this Act the Commission on Human Rights has the power and duty to:

(1) Meet and function at any place within the Commonwealth;

(2) Appoint attorneys, fix their compensation within the limitations provided by law, and prescribe their duties in accordance with the provisions of KRS 12.210;

(3) Appoint hearing examiners as it deems necessary, fix their compensation and prescribe their duties subject to the provisions of this Act;

(4) Adopt, promulgate, amend and rescind rules and regulations to effectuate the policies and provisions of this Act;

(5) Investigate charges of violation of Section 3 of this Act;

(6) Obtain upon request and utilize the services of all governmental departments and agencies;

(7) Subpoena witnesses, compel their attendance, administer oaths, take testimony or any person under oath or affirmation and, in connection therewith, to require the production for examination of any books and papers, relating to any matter under investigation before the Commission on Human Rights pertaining to a violation of Section 3 of this Act, and to hold hearings. In case of contumacy or refusal to obey a subpoena issued to any person, the circuit court, or any court of competent jurisdiction within the county of which the hearing is to be held, or the person charged with contumacy or refusal to obey is found, resides or transacts business, upon application by the Commission, may issue to such person an order requiring him to appear before the Commission, there to produce documentary evidence, if so ordered, or there to give evidence touching the matter in question; and any failure to obey the order of the court may be punished by the court as a contempt thereof; and

(8) Issue cease and desist orders and initiate and maintain and take appeals from judicial proceedings against any and all persons violating the cease and desist orders.

Section 5. (1) The Kentucky Commission on Human Rights shall enforce this law in order to prevent any person from engaging in unlawful discriminatory practices, as defined in Section 3. Before instituting proceedings requiring a formal hearing authorized by this Section the Commission shall attempt, by informal methods of persuasion and conciliation, to induce compliance with this Act.

(2) Whenever it is charged in writing and under oath by a person, referred to as the complainant, that any person, referred to as the respondent, has engaged or is engaging in unlawful discriminatory practices, or upon its own initiative, in matters relating to any of the unlawful discriminatory practices enumerated in Section 3, the Commission may initiate a preliminary investigation. The charge shall be filed with the Commission within six months after the alleged unlawful discriminatory practices are committed.

(3) If it determines after investigation that it is not probable that unlawful discriminatory practices have been or are being engaged in, it shall notify the complainant that it has so determined and that it will not issue a complaint in the matter.

(4) If it determines after investigation that it is probable that unlawful discriminatory practices have been or are being engaged in, it shall endeavor to eliminate the practices by informal methods of

conference, conciliation and persuasion. Nothing said or done during such endeavors shall be disclosed by any member of the Commission or its staff or be used as evidence in any subsequent proceeding. If, after investigation and conference, the Commission is satisfied that any unlawful discriminatory practice of the respondent will be eliminated, it may treat the matter as conciliated, and entry of such disposition shall be made on the records of the Commission.

(5) If the Commission fails to effect the elimination of the unlawful discriminatory practices and to obtain voluntary compliance with this Act, the Commission shall issue and cause to be served upon any person or respondent a complaint stating the charges in that respect and containing a notice of hearing before the Commission, a member thereof, or a hearing examiner at a place therein fixed to be held not less than ten days after the service of the complaint. The Attorney General or any attorney appointed with his approval shall appear for the Commission at the hearing and present the evidence in support of the complaint.

(6) Any complaint may be amended by the Commission, or a member thereof, or panel of members, or by the hearing examiner conducting the hearing, at any time prior to or during the hearing based thereon. The respondent has the right to file an answer or an amended answer to the original and amended complaint and to appear at the hearing in person, or by attorney, or otherwise to examine and cross examine witnesses.

(7) The complainant shall be a party to the proceeding and any person who is an indispensable party to a complete determination or settlement of a question involved in a proceeding shall be joined. Any person who has or claims an interest in the subject of the hearing and in obtaining or preventing relief against the acts or practices complained of may be, in the discretion of the person or persons conducting the hearing, permitted to appear for the presentation of oral or written arguments.

(8) In any proceeding, the member, hearing examiner, panel of members, or Commission shall not be bound by the rules of evidence prevailing in the courts of law or equity, but shall, in ascertaining the practices followed by the respondent, take into account all evidence, statistical or otherwise, which may tend to prove the existence of discrimination.

(9) The testimony taken at the hearing shall be under oath and shall be reduced to writing and filed with the Commission. Thereafter, in its discretion, the Commission upon notice may take further testimony or hear argument.

(10) If upon all the evidence the Commission determines that the respondent has engaged in, or is engaging in, the alleged unlaw-

ful discriminatory practice whether against the complainant or others, the Commission shall state its findings of fact, and shall issue and cause to be served on the respondent an order requiring such respondent to cease and desist from the unlawful discriminatory practices and to take such further affirmative or other action as will effectuate the purposes of this Act. Upon the submission of reports of compliance the Commission may issue a declaratory order stating that the respondent has ceased to engage in unlawful discriminatory practices.

(11) If the Commission finds that no probable cause exists for crediting the charges, or if, upon all the evidence, the Commission finds that a respondent has not engaged in any unlawful discriminatory practices against the complainant or others, it shall state its findings of fact and shall issue and cause to be served on the complainant an order dismissing the said complaint as to the respondent. A copy of the order shall be delivered in all cases to the Attorney General and such other public officers as the Commission deems proper, and if the complaint has reached the hearing stage, to the respondent.

(12) Until a transcript of the record in a case is filed in a court as provided in Section 6 of this Act, the Commission may, at any time, upon reasonable notice, and in the manner it deems proper, modify or set aside the whole or in part, any finding or order made by it.

Section 6. (1) Any complainant or respondent claiming to be aggrieved by a final order of the Commission, including a refusal to issue a complaint, may obtain judicial review thereof. If no proceeding to obtain judicial review is instituted by a complaint or respondent within thirty days from the service of order of the Commission pursuant to Section 5, the Commission may obtain a decree of the court for the enforcement of such order.

(2) Proceedings for judicial review or enforcement of any final order of the Commission may be brought in any court of competent jurisdiction within any county wherein the unlawful discriminatory practice is the subject of the Commission's order was committed or wherein any respondent required in the order to cease and desist from an unlawful discriminatory practice or to take affirmative action resides or transacts business.

(3) The proceedings shall be initiated by the filing of a complaint in court as provided in subsection (1) of this Section and the service of summons upon the Commission and upon all parties who appeared before the Commission. Thereupon the Commission shall file with the court a transcript of the record upon the hearing before it. The transcript shall include all proceedings in the case, including all evidence and proffers of evidence. The court thereupon has

jurisdiction of the proceeding and of the questions determined therein, and has power to grant such temporary relief or restraining order as it deems just and proper and to make and enter upon the record and upon the additional evidence the court admits, an order enforcing, modifying and enforcing as so modified, or setting aside in whole or in part, the order of the Commission.

(4) The Commission's copv of the testimony shall be available at all reasonable times to all parties without cost for examination and for the purposes of judicial review of the order of the Commission.

(5) An objection that has not been urged before the Commission shall not be considered by the court unless the failure or neglect to urge the objection is excused because of extraordinary circumstances.

(6) The court may grant a request for the admission of additional evidence only when satisfied that the additional evidence is newly discovered and could not with reasonable diligence have been ascertained prior to the hearing before the Commission. Prior to the granting of such a request the new evidence shall be presented to the Commission which shall have an opportunity to consider it and to make new recommendations.

(7) The findings of the Commission as to the facts are conclusive if supported by substantial evidence on the record and such additional evidence as the court has admitted considered as whole.

(8) The jurisdiction of the court shall be exclusive and its judgment and order is final subject to appellate review. Violation of the court's order is punishable as contempt.

(9) All suits brought under this Section shall be heard and determined as expeditiously as possible.

Section 7. Section 19.050 of the Kentucky Revised Statutes is hereby repealed.

Committee on municipalities reported **HB 48** with the expression of opinion that same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 48, AN ACT relating to firemen in cities of the first class.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

A new Section of Chapter 95 of the Kentucky Revised Statutes is created to read as follows:

Section 1. The fire department of each first class city shall be divided into three platoons. Each platoon shall be on duty for twenty-four consecutive hours, after which the platoon serving twenty-four hours shall be allowed to remain off duty for forty-eight consecutive hours, except in cases of emergency. The Chief of the fire department shall arrange the schedule of working hours to comply with the provisions of this section. The pay, rank or benefits, of the members and officers of the fire department, shall not be reduced as a result of this section.

Calendar

HB 16, HB 56, HB 52, with Committee Amendment, **HB 217, HB 127, HB 58, HB 207, HB 194, HB 15, HB 95, HB 44, HB 100, SB 47, SB 142, SB 123, SB 10, SB 21, SB 33,** with Committee Amendment, **SB 138,** taken from the Calendar and ordered read at length for the second time. Senator Gardner moved that they be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

Reference of Bills

The Clerk announced that the following bills had been referred:

Ways and Means: **SB 196, SB 203, SB 204, HB 75, HB 118, HB 140, HB 164, HB 240, HB 282.**

Revenue and Taxation: **SB 197**

Banking Insurance: **SB 198**

Judiciary: **SB 199, SB 202**

Highways and Transportation: **SB 200**

Administrative Agencies: **SB 201**

Appropriations: **HR 35**

Education: **HB 35, HB 57**

Suffrage, Elections and Constitutional Amendments: **HB 61**

State and County Governments: **HB 252**

Executive and Legislative Affairs: **HB 279**

Senator Gardner moved that the Senate adjourn until 10:00 A.M., Tuesday, March 3. Agreed.

TUESDAY, MARCH 3, 1964

FORTY-FIFTH LEGISLATIVE DAY

The Senate was called to order by the President.

Prayer by the Reverend H. Ward Jackson, Rector of the Episcopal Church of the Ascension, Frankfort.

The roll was called. All Senators were present.

Reading of the Journal for March 2 dispensed with and the same approved on motion of Senator McCann.

Report on Enrolled Bills

Committee on Enrollment reported that **SB 59, SB 22, SB 57** had been examined and found correctly enrolled. **SB 59, SB 22, SB 57** read at length, compared, and signed in open session by the President. Ordered delivered to the House.

SB 59, SB 22, SB 57 delivered, signed by the Speaker. Ordered delivered to the Governor.

Introduction of Bills and Resolution

SR 35, by Senator Kinkead: A CONCURRENT RESOLUTION relating to a joint session of the General Assembly to hear United States Senator Clinton Anderson.

WHEREAS, the General Assembly in Senate Resolution No. 8, duly adopted by both Houses, extended an invitation to Senator Clinton Anderson of New Mexico to address a joint session of the General Assembly.

NOW, THEREFORE,

Be it resolved by the Senate of the Commonwealth of Kentucky, the House of Representatives concurring therein:

That the General Assembly convene in joint session at 1:00 P.M. (EST), Thursday, March 12 in the Chambers of the House of Representatives, and that this joint session be held for the purpose of hearing an address by United States Senator Clinton Anderson of New Mexico.

Senator Kinkead moved the adoption of **SR 35.** Agreed.

SB 213, by Senator Garrett: AN ACT relating to the establishment of regional community mental health services programs and providing state grants-in-aid therefor.

SB 214, by Senators McGinty, Layne, Miller, Duffy, McCann and Bonn: AN ACT relating to county roads.

Report of Committees

Committee on Municipalities reported **SB 146** with the expression of opinion that same should pass, with the Committee Amendment attached thereto. Read at length for the first time and ordered placed in the Calendar.

SB 146, AN ACT relating to boundaries of second class cities.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. The boundaries of cities of the second class of this Commonwealth shall be and remain as now established unless changed pursuant to the provisions of this Act.

Section 2. (1) Whenever a city of the second class desires to annex any unincorporated territory or to reduce the boundaries of the city, the city legislative body may enact an ordinance defining accurately the boundaries of the territory proposed to be annexed or stricken off. The ordinance shall be published in the manner prescribed by Chapter 424 of the Kentucky Revised Statutes. In not less than thirty (30) days nor more than one (1) year after the enactment of the ordinance if the publication has been made and no petition has been filed in the circuit court as provided in Subsection (2), the city legislative body may enact another ordinance annexing to the city or striking from the city the territory described in the ordinance. Such ordinance shall specify the date upon which the territory shall become part of the city or be stricken from the city.

(2) Within thirty (30) days after the enactment of an ordinance proposing to annex unincorporated territory to a second-class city or to reduce its limits, one or more freeholders of the territory proposed to be annexed or stricken off may file a petition in the circuit court of the county setting forth the reasons why the territory or any part of it should not be annexed or why the limits should not be reduced. Summons shall issue on the petition and be executed on the chief executive officer of the city, and the answer of the city shall be filed within twenty (20) days after service of the summons. The case shall be tried as provided in Subsection (3).

(3) The proceedings in the circuit court shall be tried according to the practice prescribed for the trial of equity cases without the intervention of a jury. The case shall be advanced upon the docket and given precedence over other matters. Prior to a hearing, the court shall upon request of either party, or on its own motion, direct

the attorneys for the parties to appear before it for a conference to consider;

(a) Simplificaion of the issues;

(b) Amendment of pleadings and filing of additional pleadings;

(c) Stipulations of facts, documents, records, photographs, and like matters which will dispense with formal proof thereof;

(d) Limitation on the number of expert witnesses as well as requiring each expert witness who will testify to file a statement of his qualifications; and

(e) Such other matters as might aid in the expeditious disposition of the case.

The court shall make an appropriate order which will control the subsequent conduct of the case, unless modified before or during the trial or hearing, to prevent manifest injustice.

(4) If the court finds upon a hearing that less than a majority of the freeholders or freeholders of less than a majority of the territory to be annexed or stricken off have remonstrated in writing in an exhibit filed with or as a part of the original complaint, verified as to signatures and residences, the annexation or reduction shall be approved and become final. The effective date of the annexation or reduction shall be determined by the court, but in no event shall it be later than one (1) year from the date of the judgment. If the court finds upon a hearing that a majority or more of the freeholders of the territory sought to be annexed or stricken off have remonstrated in writing in an exhibit filed with or as a part of the original complaint, verified as to signatures and residences, and that the adding or striking off of the territory will be for the interest of the city, or that failure to annex or strike off will materially retard the progress and prosperity of the city, or hinder the further expansion of the city, and will cause no manifest injury to the freeholders in the territory sought to be annexed or stricken off, the annexation or reduction shall take place notwithstanding the remonstrance, and a judgment shall be entered accordingly, which judgment shall fix the effective date of annexation, or reduction, which shall in no event be later than one (1) year from the date of the judgment. Unless the court so finds, the annexation or reduction shall be denied and a judgment entered accordingly.

(5) If the court finds that a majority or more of the freeholders of the territory sought to be annexed have remonstrated and that annexation should take place notwithstanding the remonstrance, the court may find and decree that only a part or parts of the territory proposed to be annexed shall be annexed, in which event the court shall specifically indicate and prescribe by metes and bounds, or other clear and specified description, the territory which the court finds should be annexed, and that part only shall be annexed.

(6) An appeal may be taken to the Court of Appeals as in other cases. The case shall be advanced on the docket and take precedence over other cases. On appeal the effective date for annexation or reduction, if the juudgment of the lower court so decreed, shall be suspended and redetermined where applicbale but in no event to be fixed as more than one (1) year from the filing of the mandate of the Court of Appeals.

(7) The judgment shall, when entered, be certified to the city legislative body, which may thereupon and prior to the effective date fixed in the judgment annex to or strike from the city the territory described in the judgment, and the territory shall then become, or cease to become, a part of the city.

Section 3. After the introduction of an ordinance proposing annexation no unincorporated territory within two (2) miles of the boundaries of the city, or included within the area proposed to be annexed, shall be included within the boundaries of any proposed city until:

(a) The expiration of one (1) year from the enactment of the ordinance proposing annexation, unless an action opposing the annexation is properly instituted, or

(b) The entry of a final judgment denying annexation, or

(c) After the date fixed in the final judgment as the effective date for annexation and the city having failed to enact an ordinance annexing the territory approved by the courts.

Section 4. Section 81.140 of the Kentucky Revised Statutes is repealed.

Said Committee Amendment to **SB 146** is as follows:

Amend printed copy of Senate Bill 146 on pages 3, line 17, by:

inserting between the words "freeholders" and the word "of" the following:

"and the freeholders of a majority"

Committee on Executive and Legislative Affairs reported **HB 279** with the expression of opinion that same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 279, AN ACT relating to the State Police Retirement System.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 16.505 of the Kentucky Revised Statutes is amended to read as follows:

As used in KRS 16.505 to 16.645 unless the context otherwise requires:

(1) "System" means the State Police Retirement System created by KRS 16.505 to 16.645;

(2) "Board" means the Board of Trustees of the Kentucky Employes Retiremetn System;

(3) "Employer" or "State Police" means the Division of State Police of the Department of Public Safety, or its successor;

(4) "Current Service" means the number of years and completed months of [uninterrupted] employment as an employe subsequent to July 1, 1598, for which *creditable* [service] compensation is paid by the employer;

(5) "Prior Service" means the number of years and completed months of employment as an employe prior to July 1, 1958, for which *creditable* compensation was paid to the employe by the Commonwealth;

(6) "Service" means the total of current service and prior service;

(7) "Beneficiary" means *the estate of a member or a person entitled to receive benefits under KRS 16.505 to 16.645. The designation of a beneficiary shall remain in full force and effect until changed by the member. In the event the death of a person who is designated as beneficiary precedes that of the member, then the estate of the member becomes the beneficiary* [any person designated in writing as beneficiary for benefits payable on death of a member, signed in such manner and on such forms as may be required by the board, and duly filed with the board; or it means the member's estate if no designation of beneficiary is on file with the board];

(8) "Accumulated Contributions" at any time means the sum of all amounts deducted from the compensation of a member and credited to his individual account in the member's contribution account, together with interest credited on such amounts as provided in KRS 16.505 to 16.645, and any other amounts the member shall have contributed thereto, including interest credited thereon;

(9) "Creditable Compensation" means *all salary and wages paid to the employe as a result of services performed for the employer* [the regular base pay including pay for longevity received by an employe working full time for the employers]; living allowances, expense reimbursements, payments received after the date of termination of employment for accrued vacation leave, and other such items as are determined by the board shall be excluded;

(10) "Final Compensation" at any time means the creditable compensation *of* a member [was paid] during the five *fiscal* [calendar]

years he was paid *at* the highest average monthly rate of any of the *fifteen* [ten] years of creditable compensation preceding *the member's retirement date* [such time], divided by the number of months of service during such five year period *multiplied by twelve;* such five years may be fractional, *and* need not be consecutive. [, and include only the years during which creditable compensation is received by the member] *In the event the number of months of service during such five year period is less than forty-eight, one or more additional fiscal years shall be used;*

(11) "Retired Member" means any member entitled to receive benefits under the provisions of KRS 16.505 to 16.645;

(12) "Retirement Allowance" means the retirement payments to which a retired member is entitled;

(13) "Actuarially Equivalent Benefits" means benefits which are of equal value when computed upon the basis of such actuarial tables as are adopted by the board;

(14) "Authorized Leave of Absence" means any time during which a person is absent from employment but [as provided in KRS 16.540] retained in the status of an employe in accordance with the personnel policy of the Division of State Police;

(15) "Normal Retirement Date" means the first day of the month following or coinciding with a member's fifty-fifth birthday, except that for members over age fifty-five on July 1, 1958, it shall mean January 1, 1959;

(16) "Disability Retirement Date" means the first day of the month following six complete months of total and permanent disability or partial disability;

(17) "Dependent Child" means a child en ventre sa mere and a natural or legally adopted child of the member who has neither attained age eighteen nor married;

(18) "Optional Allowance" means an actuarially equivalent benefit elected by the member [in accordance with provisions of KRS 16.635], in lieu of all other benefits provided by KRS 16.505 to 16.645;

(19) "Vested Amount" at any time after fifty-five means the actuarially determined value at normal retirement dates of benefits otherwise payable beginning on the normal retirement date together with interest thereon compounded at the rate of interest used to determine the amount of interest credited to individual accounts; [and]

(20) "Disability Ratio" means that percentage determined by the board as being applicable to the degree of disability suffered or incurred by a member[.] *;*

(21) "Act In Line of Duty" means an act occurring or a thing done, which, as determined by the board, was required in the performance of duty.

Section 2. Section 16.525 of the Kentucky Revised Statutes is amended to read as follows:

(1) The membership of any person in the system shall cease upon:

(a) Withdrawal of his accumulated contributions at any time after termination of employment, regardless of length of service;

(b) The date benefits payable under this system are first paid;

(c) Death;

[(d) Termination of employment prior to the completion of five years of service; and]

(d) [(e)] Termination of employment with prejudice at any time.

(2) For purposes of KRS 16.505 to 16.645, "termination of employment with prejudice" shall mean termination as a result of conviction of a member in a court of competent jurisdiction, of a felony, embezzlement or larceny of public funds or property, malfeasance in office, or the forcing of a member to make restitution of any funds or property criminally taken by said member at the time of termination of employment, or found guilty by the *State Police trial* board of conduct deemed inimicable to the State Police or conduct not in keeping with the code of conduct prescribed for employes.

Section 3. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) Any member whose employment has previously been terminated without prejudice and who has been refunded his accumulated contributions, thereby losing service credit, may regain such credit by paying to the system the amount refunded with interest at a rate determined by the board, provided such person again qualifies for membership in accordance with KRS 16.520.

(2) Service credit obtained under this section shall be disallowed if the member does not obtain thirty months additional current service after the date such rights under this section have been exercised.

Section 4. Section 16.545 of the Kentucky Revised Statutes is amended to read as follows:

(1) Except for members over age fifty-five on July 1, 1958, who shall not be required to contribute, each member shall, commencing

on the date he becomes a member, contribute for each pay period for which he receives compensation, [whether or not on authorized leave of absence,] ten percent of his creditable compensation reduced by the Social Security taxes paid for said pay period.

(2) The Commissioner of Finance shall cause to be deducted from the compensation of each member for each and every payroll period subsequent to July 1, 1958, the contributions payable by such member as provided in KRS 16.505 to 16.645.

(3) [In determining the creditable compensation of a member in a payroll period, the board may consider the rate of compensation payable to such member on the first day of the payroll period as continuing throughout such payroll period; to facilitate meeting deduction requirements, the board may allow omission of a deduction of any fractional amount less than one dollar from any member in any payroll period.] Deductions from compensation for any period less than a full payroll period for any employe [not a member on the first day of the payroll period] may be omitted if such procedure is authorized by the board.

(4) Every member shall be deemed to consent to deductions made as provided herein; and the payment of salary or compensation less such deduction shall be a full and complete discharge of all claims for services rendered by such person during the period covered by such payment, except as to any benefits provided by KRS 16.505 to 16.645.

(5) Notwithstanding any other provisions of this section, no deduction shall be made from any member's compensation if the employer's contribution required hereunder is in default.

Section 5. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) The employer shall contribute annually an amount equal to a percent of the creditable compensation of its members to be known as the "normal contribution", and an additional amount equal to five percent of unfunded past service liabilities, to be known as the "past service contribution".

(2) The normal contribution rate shall be determined by the entry age normal cost funding method with respect to normal, early and delayed retirement benefits and as a unit credit method for all other benefits. The past service liability shall be determined by actuarial method consistent with the methods prescribed for determining the normal contribution rate. Normal contributions and the past service liability contributions shall be determined on actuarial bases adopted by the board.

(3) Normal contribution and the past service contribution rates shall be determined by the board on the basis of the annual actuarial

valuation last preceding the July 1 of a new biennium.

(4) The board shall furnish to the employer prior to the beginning of each biennium its best estimate of the normal contributions, the past service liability contributions and the expenses of administering the system during the biennium next followed. The estimated amount so furnished shall be included in the budget for the department and the department shall make available to the board sufficient funds to provide actual amounts necessary for contributions and expenses.

Section 6. A new section of the Kentucky Revised Statutes is created to read as follows:

If a member has ceased to be an employe he, if living, if not, his designated beneficiary, shall be paid, on demand, but not later than ninety days thereafter, the amount of his accumulated contributions reduced by the amount of any retirement allowances previously received in lieu of any other benefits due under any of the provisions of KRS 16.505 to 16.645.

Section 7. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) A member shall terminate employment on his normal retirement date.

(2) Any member with at least five years of service credit may retire at his normal retirement date, or subsequent thereto, upon written notification to the board, setting forth at what time the retirement is to become effecive, provided that such effective date shall be after his last day of service and subsequent to the filing of such notice.

(3) The member shall have the right to elect to have his retirement allowance payable under any one of the plans set forth in this section. The member shall not have the right to revoke such election after the initial benefit payment has been drawn by the State Treasurer.

(4) The member may elect to receive an annual retirement allowance, payable monthly during his lifetime, equal to one and three-fourths percent of final compensation for each year of service provided that such monthly payments shall be reduced by eighty-five dollars beginning with the first payment following his sixty-fifth birthday.

(5) The member may elect to receive a decreased level monthly retirement allowance payable for life, actuarially equivalent to the retirement allowance payable under subsection (4) of this section.

(6) The member may elect to receive a monthly retirement

allowance payable for ten years certain, actuarially equivalent to the retirement allowance payable under subsection (4) of this section.

(7) The member may elect to receive a decreased monthly retirement allowance during his lifetime and have such retirement allowance continued after his death to his spouse or a dependent receiving at least one-half of his support from the member, during the lifetime of such person. Such benefit payments shall be actuarially equivalent to the retirement allowance payable under subsection (4) of this section. In case of such an election, benefits that might otherwise be provided under Section 6 of this Act shall not be payable upon the death of the member.

Section 8. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) If a member, eligible to retire on benefits payable as provided in Section 7 of this Act, dies at any time before the first benefit payment has been drawn by the State Treasurer and has on file with the board at the time of his death a written designation of a beneficiary, who is his spouse or a dependent receiving at least one-half of his support from the deceased member, then said beneficiary may elect to receive an annual benefit payable monthly which shall be equal to the benefit that would have been paid had the member retired immediately prior to his date of death and elected to receive payments under subsection (7) of Section 7 of this Act or the said beneficiary may elect the actuarial equivalent payable for one hundred twenty months certain.

(2) If a member in service with fifteen or more years of service dies at any time before his normal retirement date and has on file with the board at the time of his death a written designation of a beneficiary, who is his spouse or a dependent receiving at least one-half of his support from the deceased member, then said beneficiary may elect to receive a monthly payment commencing in the month following the member's death and payable for one hundred twenty months certain. Such benefit payments shall be actuarially equivalent to the benefit the member would have been entitled to receive, based on his age, years of service and final compensation at the date of his death, had the member been eligible for retirement and had he chosen benefits payable under subsection (7) of Section 7 of this Act.

Section 9. Section 16.580 of the Kentucky Revised Statutes is amended to read as follows:

(1) Total and permanent disability as used in KRS 16.505 to 16.645 shall mean such disability as results in a member's incapacity to engage in any occupation for remuneration or profit, which disability is the result of bodily injury or disease. Loss by severance of both hands at or above the wrists, or both feet at or above the

ankles, or one hand above the wrist and one foot at or above the ankle, or the complete, irrecoverable loss of the sight of both eyes shall be considered as total and permanent disability. [The "disability ratio" shall be deemed one hundred percent in the case of total and permanent disability.]

[(2) Partial disability as used in KRS 16.505 to 16.645 shall mean such disability as results in a member's incapacity to continue as an employe of the employer, and which disability has incapacitated such member and is the result of bodily injury or disease. The board shall have full power and exclusive authority to determine the existence of partial disability; it shall establish by appropriate findings utilizing consistent procedures, including services of an examiner, the disability ratio applicable to such disabled member.]

(2) [(3)] Notwithstanding the provisions of *subsection (1) of this section* [subsections (1) and (2)], no injury shall be deemed to be disability [within the provisions of KRS 16.505 to 16.645] if such injury results directly or indirectly from:

(a) Injury intentionally self-inflicted while sane or insane;

(b) Injury or disease resulting from military service; or

(c) Disease suffered or contracted prior to date of employment as an employe of the employer.

[(4) Upon termination of disability a member or retired member eligible for disability benefits under KRS 16.505 to 16.645 shall lose all rights to such benefits that would be paid subsequent to the termination of disability, except as provided in KRS 16.575 (3).]

[(5) (a) Once each year the board may require any retired member receiving a disability benefit who has not reached age fifty-five to undergo a medical examination by an examiner designated by the board, such examination to be made at a place near the residence of such retired member or such other place as may be mutually agreed upon. If it appears from such medical examination that the disability of said retired member has changed or that his earning capacity has changed since the date disability payments commenced, the board shall revise the retired member's "disability ratio" consistent with such findings and disability beneftis to the retired member shall be adjusted beginning with the next benefit payment.

(b) Should any member receiving a retirement allowance by reason of disability refuse to submit to such medical examination, his disability benefits shall be discontinued until he shall actually undergo such medical examination, and should he fail to undergo such medical examination for one year, all his right in and to his disability benefits shall cease. If a retired member has his disability benefit hereunder discontinued prior to age fifty-five and if such member is re-employed by the employer within six months following the date said disability ceases, then his service shall not be deemed to have ceased or been interrupted for purposes of determining benefits upon normal retirement.]

(3) [(6)] Total and permanent disability shall be deemed to cease in event a retired member receiving a benefit by reason of total and permanet disability engages in gainful occupation or work of any sort *or if the board determines from medical examination that the member is able to engage in gainful occupation or work of any sort.*

[(7) Notwithstanding any provisions of KRS 16.505 to 16.645 to the contrary, no benefit provided in KRS 16.605 or 16.610 shall be reduced as a result of any change in the extent of disability or the disability ratio with respect to any retired member who is age fifty-five or over.]

Section 10. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) In the event disability is total and permanent as provided in KRS 16.580 and occurs as a direct result of an "act in line of duty", the member in service shall retire on his disability retirement date and shall be eligible to receive a monthly retirement benefit as follows:

(a) For the disabled member, forty-five percent of his monthly rate of creditable compensation in effect at the time of the disability until death.

(b) For each dependent child of the member on his disability retirement date, who is alive, unmarried and under age eighteen at the time any particular payment is due an additional amount of ten percent of the member's monthly rate of creditable compensation at the time of disability.

(2) In the event disability is total and permanent as provided in KRS 16.580 and is not a direct result of an "act in line of duty," the member in service with ten years of service credit shall retire on his disability retirement date and shall be eligible to receive an annual retirement allowance payable monthly equal to one and three-fourths percent of final compensation multiplied by the number of years of service, provided such annual retirement allowance shall not be less than $480.

(3) No benefit provided in this section shall be reduced as a result of any change in the extent of disability of any retired member who is age fifty-five or over.

Section 11. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) Partial disability as used in KRS 16.505 to 16.645 shall mean such disability as results in a member's incapacity to continue as an employe of the employer, and which disability has incapacitated such member and is the result of bodily injury or disease. The board shall have full power and exclusive authority to determine the existence of partial disability; it shall establish by appropriate findings utilizing consistent procedures, including services of an examiner, the disability ratio applicable to such disabled member.

(2) Notwithstanding the provisions of subsection (1) of this section, no injury shall be deemed to be disability if such injury results directly or indirectly from:

(a) Injury intentionally self-inflicted while sane or insane;

(b) Injury or disease resulting from military service; or

(c) Disease suffered or contracted prior to date of employment as an employe of the employer.

(3) In the event the board determines that total and permanent disability of a member receiving benefits under subsection (1) of Section 10 of this Act has ceased in accordance with the provision of KRS 16.580, then said member shall be deemed to have a partial disability, provided the conditions set out in subsection (1) of this section apply to the member.

Section 12. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) In the event disability is partial as provided in subsections (1) and (2) of Section 11 of this Act and as determined by the board, a member in service with ten years of service credit may retire on his disability retirement date and shall be eligible to receive an annual retirement allowance payable monthly equal to one and three-fourths percent of final compensation multiplied by the number of years of service and this product multiplied by the disability ratio.

(2) In event disability is partial as provided in subsection (3) of Section 11 of this Act and as determined by the board, such member shall be eligible to receive an annual retirement allowance payable monthly equal to one and three-fourths percent of final compensation multiplied by the number of years of service, including the period of total and permanent disability, and this product multiplied by the disability ratio. Payments shall begin in the month following the termination of payments under total and permanent disability.

(3) No benefit provided in this section shall be reduced as a result of any change in the extent of disability of any retired member who is age fifty-five or over.

Section 13. A new section of the Kentucky Revised Statutes is created to read as follows:

Once each year following the retirement of a member on a disability retirement allowance, the board may require such member, prior to his normal retirement date, to undergo a medical examination. Should the member refuse to submit to any such medical examination, his retirement allowance shall be discontinued until his withdrawal of such refusal, and should such refusal continue for one year, all his rights to any further disability allowance shall cease.

Section 14. A new section of the Kentucky Revised Statutes is created to read as follows:

In the event the death of a member in service occurs as a direct result of an "act in line of duty," benefit payments shall be made as follows:

(1) If the member has on file with the board at the time of his death a written designation of a beneficiary, who is his spouse or a dependent receiving at least one-half of his support from the deceased member, then said beneficiary may elect to receive a lump sum payment of $10,000 in lieu of any other benefits due the beneficiary under any of the provisions of KRS 16.505 to 16.645.

(2) In the period of time following a member's death during which dependent children survive, monthly payments shall be made for each child who is alive, unmarried and under age eighteen at the time any particular payment is due in an amount equal to ten percent of the member's monthly rate of creditable compensation at the time of death. Such payments, subject to the provisions of KRS 16.625, shall commence in the month following the date of death of the member and shall be payable to the beneficiaries, or to a legally appointed guardian or as directed by the board.

Section 15. Section 16.625 of the Kentucky Revised Statutes is amended to read as follows:

Notwithstanding any provision in this section to the contrary, benefits computed under *subsection (1) of Section 10 and subsection (2) of Section 14 of this Act* [KRS 16.600, 16.605 and 16.610] shall be reduced by the exact amount of benefits payable under any Workmen's Compensation law, Employer's Liability Insurance and under Title II of the Federal Social Security Act. As a further condition precedent to the eligibility and continued eligibility of any person otherwise eligible to receive *such* [a] benefit [computed in accordance with KRS 16.600, 16.605 and 16.610], said person shall submit satisfactory proof to the board, in such form and manner as this board shall require, as to the eligibility to receive and the amount of benefits received under Workmen's Compensation and Social Security.

Section 16. Section 16.640 of the Kentucky Revised Statutes is amended to read as follows:

The government and control of the system is hereby, vested in the Board of Trustees of the Kentucky Employes Retirement System. The board shall carry out the provisions of KRS 16.505 to 16.645 in the same manner in which it administers the Kentucky Employes Retirement System. In all matters concerning the administration of KRS 16.505 to 16.645, the same rights, duties, and obligations shall apply to the board, as now apply under the provisions of KRS 61.510 to 61.700, except that members of the board, when acting for the [Kentucky] State Police Retirement System, shall be limitd to a per diem of ten dollars plus actual expenses.

Section 17. A new section of the Kentucky Revised Statutes is created to read as follows:

The State Tresaurer shall be the custodian of the fund created by KRS 16.505 to 16.645 and he shall be responsible on an official surety bond for all cash and securities in his custody. All registreed securities in the fund created by KRS 16.505 to 16.645 shall be registered in the name "State Police Retirement System of the Commonwealth of Kentucky" and every change in registration, by reason of sale or assignment of such securities, shall be accomplished by the signature of the State Treasurer and securities shall be delivered by him when directed so to do by resolution of the board.

Section 18. A new section of the Kentucky Revised Statutes is created to read as follows:

A person receiving retirement payments under the State Police Retirement System Act, shall be entitled to have his benefits recomputed on July 1, 1964, in accordance with the formula then in effect, provided that the annual retirement allowance of such person shall not be decreased. The unmarried widow of a member whose death occurred as a direct result of an "act in line of duty" subsequent to July 1, 1958, and prior to July 1, 1964, shall be entitled to elect a benefit payment in accordance with subsection (1) of Section 14 of this Act in lieu of any benefits the beneficiary of such member may have heretofore been entitled to receive.

Section 19. The following sections of the Kentucky Revised Statutes are repealed: 16.517, 16.540, 16.550, 16.575, 16.585, 16.590, 16.595, 16.600, 16.605, 16.615, 16.620, 16.630, and 16.635.

Section 20. This Act shall become effective on July 1, 1964.

Committee on Ways and Means reported **SB 112** with the expression of opinion that same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 112, AN ACT relating to auctioneers.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 330.040 is amended to read:
KRS 330.030 shall not apply to:

(1) Sales at auction conducted by or under the direction of any public authority or pursuant to any judicial order or decree, or to any sale required by law to be at auction.

(2) The owner of any real or personal property.

(3) Any resident or nonresident crier or auctioneer who simply calls for bids and strikes the bargain at any auction sale of registered or purebred livestock or who cries or acts as auctioneer in show cattle sales or the sale of livestock owned and sold at auction by 4-H Clubs or FFA or club members.

Section 2. Whereas, the uncertainty with respect to the applicability of Chapter 251 of the Acts of the General Assembly of 1962 has created confusion and uncertainty; and a number of such sales are scheduled to be held in Kentucky, which are sponsored by the Department of Agriculture, an emergency is declared to exist and this Act shall become effective immediately upon its passage and approval by the Governor.

Committee on Ways and Means reported **HB 125** with the expression of opinion that same should not pass.

Committee on Banking and Insurance reported **SB 198** with the expression of opinion that same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 198, AN ACT relating to the voting of stock of banks and trust companies for directors when such stock is held by the issuing corporation as trustee.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

In the election of directors of a bank or trust company, shares of its own stock held by such bank or trust company as sole trustee, whether registered in its own name as such trustee or in the name of its nominee, shall not be voted by the registered owner unless under the terms of the trust the manner in which such shares shall be voted may be determined by a donor or beneficiary of the trust and unless such donor or beneficiary actually directs how such shares shall be voted;, but shares of its own stock held by a bank or trust company and one or more persons as trustees may be voted by such other person or persons, as trustees, in the election of directors of such bank or trust company in the same manner as if he or they were the sole trustees.

Calendar

SB 163, SB 95, with Committee Amendment, **SB 156, SB 128, SB 130, SB 173, SB 178, SB 194, HB 48** taken from the Calendar and ordered read at length for the second time. Senator Gardner moved that they be read by title only. Agreed by a majority of members elected. Ordered placed in the Orders of the Day.

Orders of the Day

Senator Garrett moved that **HB 217** be taken from Orders of the Day, ordered read at length for the third time and substituted for **SB 105.** Agreed.

Senator Garrett moved that **HB 217** be read by title only. Agreed by a majority of members elected.

Senator Garrett moved the Previous Question on **HB 217.** Agreed.

On the roll call the vote was yeas 33—Billington, Blue, Bonn, Brand, Buckman, Cobb, Derickson, Duffy, Duncan, Engle, Fuqua, Gardner, Garrett, Gay, D. L. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Mann, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Turner, Van Hoose, Ware. Nays 0.

HB 217 was passed and the title agreed to.

Senator Garrett moved that the vote by which **HB 217** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 137, as amended, taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Kiser moved the Previous Question on **SB 137, as** amended. Agreed.

On the roll call the vote was yeas 32—Billington, Blue, Bonn, Brand, Buckman, Cobb, Derickson, Duffy, Duncan, Edwards, Engle, Gardner, Gay, Howard, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Miller, Mobley, Nichols, Palmer, Raybourne, Spence, Turner, Ware. Nays 3—Fuqua, Newberry, Van Hoose.

SB 137, as amended, was passed and the title agreed to.

Senator Duffy moved that the vote by which **SB 137,** as amended, was passed be reconsidered and that said motion be laid on the table. Agreed.

The President vacated the chair, President Pro Tempore, Senator Ware presiding.

SB 53 taken from Orders of the Day with Committee Amendment attached thereto, and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Layne moved the adoption of the Committee Amendment to **SB 53.** Agreed.

Senator Layne moved the Previous Question on **SB 53,** as amended. Agreed.

On the roll call the vote was yeas 12—Bonn, Fuqua, D. Johnson, Kinkead, Layne, Mann, McCann, McGinty, Miller, Mobley, Spence, Van Hoose. Nays 24—Billington, Blue, Brand, Cobb, Derickson, Duffy, Duncan, Edwards, Engle, Gardner, Garrett, Gay, Howard, F. Johnson, Kelly, Kidwell, Kiser, Newberry, Nichols, Palmer, Raybourne, Swope, Turner, Ware.

SB 53 was defeated.

Senator Spence moved that the Rules be suspended for the purpose of taking **SR 34** from the Clerk's Desk. Agreed.

SR 34, A RESOLUTION requesting the Governor to appoint a Commission to investigate mineral holding corporations.

WHEREAS, during the past few years there have been thousands of words written and spoken about the people and economy of Eastern Kentucky, and

WHEREAS, based on this information, the rest of the United States and the world may be led to believe Eastern Kentucky a barren no-man's land populated by wretched, ignorant, unemployed and starving people who live in dilapidated shacks, and

WHEREAS, although all are concerned about the conditions in Eastern Kentucky, the world must be told that the majority of the people in this area are intelligent, ambitious, employed, self-supporting and reasonably well housed, and

WHEREAS, the counties of Eastern Kentucky contain vast reserves of coal, timber and natural gas, and

WHEREAS, in spite of these great coal resources and the fact that to a large extent the economy of Eastern Kentucky is almost totally dependent upon coal mining, the local people who are engaged in this industry find it next to impossible to acquire mineral leases, and

WHEREAS, most of the desirable coal lands of Eastern Kentucky were purchased around the turn of the century at a fraction of their present worth, and

WHEREAS, practically all of the valuable coal reserves of Eastern Kentucky are owned by out-of-state corporations, and

WHEREAS, due to the fact that these corporations pay very low taxes on these mineral lands, they are reluctant to lease their property for mining purposes, and

WHEREAS, these out-of-state corporations have discriminated against local mining companies, being more willing to lease their desirable property to large captive mines and other out-of-state mining corporations with a very low tonnage royalty, and leasing their less desirable property to local people at an exorbitant tonnage royalty, and

WHEREAS, local coal companies, who are willing to pay a higher tonnage royalty than is now paid by out-of-state companies, would improve the economy of the state by hiring more miners and by keeping the profits from their operation in Kentucky,

NOW, THEREFORE,

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Governor appoint a bipartisan commission to investigate the monopolistic and discriminatory practices of mineral holding corporations in Kentucky.

Section 2. That the commission investigate the present system of assessing mineral lands in the Commonwealth and recommend such changes as they deem equitable.

Senator Spence moved the adoption of **SR 34.** Agreed.

SB 42 taken from Orders of the Day, with the Committee Amendment attached thereto, and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Mobley moved the adoption of the Committee Amendment to **SB 42.** Agreed.

Senator Mobley moved the Previous Question on **SB 42,** as amended. Agreed.

Senator Edwards moved that **SB 42** be tabled. Agreed by a standing vote of fifteen to eight.

SB 107 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Kidwell moved that **SB 107** be laid on the Clerk's Desk. Agreed.

Senator Bonn moved that the Rules be dispensed with for the purpose of giving Committee Reports. Agreed.

Report of Committee

Committee on Transportation and Highways reported **HB 176** with the expression of opinion that same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 176, AN ACT relating to sidewalks along public roads.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 178.290 of the Kentucky Revised Statutes is amended to read as follows:

Any person may build a sidewalk, composed of gravel, concrete or other suitable material, along the side of any public road in this state. The sidewalk shall not exceed *sixty* [thirty-six] inches in width and the construction and repair and the use of the sidewalk shall be without expense of any kind [to the public or] to any other person who may want to use it. All persons who desire shall be permitted to use the sidewalk, and it shall be so constructed as not to interfere with the traveling public on any public road. *The fiscal court of any county may build and repair sidewalks along public roads where the need exists for the safety of school children. Before the beginning of construction of the sidewalk, written approval must be obtained from the governmental agency having jurisdiction over the public road.* [If it is desired to build such walk in a city, the consent of the legislative body of the city shall be obtained before the walk is built.]

Orders of the Day—Continued

SB 151 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the Previous Question on **SB 151.** Agreed.

On the roll call the vote was yeas 35—Billington, Blue, Bonn, Brand, Brizendine, Buckman, Cobb, Derickson, Duffy, Duncan, Edwards, Engle, Fuqua, Gardner, Garrett, Howard, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Mann, McCan, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

SB 151 was passed and the title agreed to.

Senator Gardner moved that the vote by which **SB 151** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 88 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator McCann moved the Previous Question on **SB 88.** Agreed.

On the roll call the vote was yeas 35—Billington, Blue, Bonn, Brand, Brizendine, Buckman, Derickson, Duffy, Duncan, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, Howard, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 1—D. Johnson.

SB 88 was passed.

Senator McCann moved that the vote by which **SB** 88 was passed be reconsidered and that said motion be laid on the table.

Senator Miller moved, seconded by Senator Van Hoose, that the title to **SB** 88 be amended to be known as the Charles William A. McCann Act. Agreed.

Recess

Senator Gardner moved that the Senate recess until 2:00 P.M. Agreed.

At the appointed hour the President Pro Tempore resumed the chair and called the Senate to order.

Senator Howard moved to dispense with the Rules for the purpose of introducing a Resolution. Agreed.

Introduction of Resolution

SR 36, by Senator Howard: A CONCURRENT RESOLUTION relating to the operation of the Appalachian Regional Hospitals.

Be it resolved by the Senate of the Commonwealth of Kentucky, the House of Representatives concurring therein:

Section 1. The General Assembly of the Commonwealth of Kentucky recognizes the worthy purposes of the Appalachian Regional Hospital. This recognition is evidenced in the $700,000 appropriation for the hospitals made in the 1963 extraordinary session and in the $600,000 appropriation for fiscal 1964-65, and $500,000 appropriation for 1965-66, contained in House Bill 222, the biennial budget bill.

Section 2. The General Assembly of the Commonwealth of Kentucky is equally cognizant of certain facts presented to it when called upon to make these appropriations. The General Assembly in the 1963 extraordinary session was advised that the $700,000 appropriation would be a nonrecurring expense of state government. The General Assembly also is aware that the cost in these hospitals is somewhat higher than the cost of private and community hospitals in the Appalachian area. At the time the program was enacted, the Appalachian Regional Hospital Commission committed itself to the General Assembly to convert the hospital facilities as soon as possible to community hospitals.

Section 3. Therefore, the General Assembly now goes on record as advising the Appalachian Regional Hospital Commission and its Board of Directors that:

(a) These former United Mine Worker's hospitals should be converted at the earliest possible date to community hospitals.

(b) The cost of operation should be reduced while at the same time maintaining accreditation standards.

(c) The Appalachian Regional Hospitals should make better use of practicing physicians, nurses, and other specialists in the area.

(d) The Appalachian Regional Hospital Commission should effect better working relationship with existing private and community hospitals.

Section 4. That the General Assembly of the Commonwealth of Kentucky has entered into this agreement willingly and in full recognition of the necessity of maintaining adequate health facilities in eastern Kentucky. The money to underwrite these facilities has come from the whole people of the Commonwealth and that the Commission should act in keeping with the agreements which led to the General Assembly appropriations.

Section 5. The General Assembly recognizes and must assume some measure of responsibility to the whole people of the Commonwealth, and therefore, takes this means of informing the Governing body of the Appalachian Regional Hospital Commission.

Section 6. The Legislative Research Commission is hereby directed to make a study of these hospitals and report to the 1966 General Assembly.

Section 7. The Clerk of the Senate is directed to mail a copy of this Resolution to each member of the ARHA Commission.

Senator Howard moved the adoption of **SR 36**, seconded by Senator Kelly and requested a roll call. Agreed.

On the roll call the vote was yeas 29—Billington, Blue, Bonn, Brizendine, Derickson, Duffy, Duncan, Edwards, Fuqua, Gardner, Garrett, Howard, D. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, McGinty, Miller, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

SR 36 was adopted.

Senator Duffy moved to dispense with the Rules for the purpose of giving Committee Reports. Agreed.

Report of Committee

Committee on Health and Welfare reported **SB 65**, with Committee Amendments, **SB 157**, **HB 203**, with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 65, AN ACT relating to nursing.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of the Kentucky Revised Statutes is created to read as follows:

It is the declared policy of the General Assembly of Kentucky that the practice of nursing should be regulated and controlled as provided for herein in order to protect and safeguard the health and safety of the citizens of the Commonwealth of Kentucky.

Section 2. A new section of the Kentucky Revised Statutes is created to read as follows:

As used in this Act, unless the context thereof requires otherwise:

(1) "Board" shall mean Kentucky Board of Nursing Education and Nurse Registration;

(2) "Nurse" shall mean a person licensed under the provisions of this Act as a registered nurse or as a licensed practical nurse;

(3) "Registered nurse" shall mean one who performs for compensation any act in the observation, care or counsel of the ill, injured or infirm, or in the maintenance of health or prevention of illness of others, or in the supervision and teaching of other personnel, or the administration of medications or treatments as prescribed by a licensed physician or dentist, requiring substantial specialized judgment and skill and based on knowledge and applications of the principles of biological, physical and social science, but shall not be deemed to include acts of medical diagnosis or prescription of therapeutic or corrective measures;

(4) "Practical nurse" shall mean one who performs for compensation delegated acts in the care of the ill, injured, or infirm under the direction of a registered nurse or a licensed physician, or a licensed dentist; and not requiring the substantial specialized judgment and knowledge required of the registered nurse;

(5) "School of nursing" shall mean any institution conducting or offering to conduct a nursing education program for the training or preparation for licensure as a registered and/or practical nurse.

Section 3. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) It shall be unlawful for any person to call or hold himself out as or use the title of nurse or to practice or offer to practice as a nurse unless licensed under the provisions of this Act.

(2) It shall be unlawful foı any person to operate or offer to operate or to represent or advertise the operation of a school of nursing unless such school of nursing has been accredited under the provisions of this Act.

Section 4. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) The Governor shall appoint a Kentucky Board of Nursing consisting of seven (7) mmebers; provided, however, that the present members and officers of the Board of Nursing Education and Nurse Registration, appointed pursuant to Chapter 183, 1950 Acts of the General Assembly, shall serve as members and officers of said Board until the expiration of their respective terms, or until their successors have been appointed and qualified under the provisions of this Act. The term of office for members of the Board shall be four (4) years from the date of their respective appointments or until their successors have been appointed and qualified under the provisions of this Act.

(2) At least three months before the expiration of the term of any member of the Board, the Kentucky State Association of Registered Nurses shall submit to the Governor a list of members qualified for appointment in number not less than twice the number of appointments to be made, from which list the Governor shall make each appointment. In the event of a vacancy, the Board shall certify the same to the Governor together with the list of members as aforesaid, and the Governor shall fill the vacancy for the unexpired term as herein provided.

(3) The Governor may remove any member from the Board for neglect of duty, incompetency or unprofessional or dishonorable conduct.

(4) Each member of the Board shall be a citizen of the United States, a resident of Kentucky, a graduate of an accredited school of nursing, a registered nurse in this state and hold at least a Bachelor's Degree in nursing and in addition, shall have had at least five years of experience, three of which shall immediately precede such appointment, in administration or teaching in schools of nursing and/or administration or supervision in nursing service. At least one member of the Board shall be a registered nurse faculty member of an approved school of practical nursing.

(5) The Board shall appoint an Assistant Board of Practical Nursing, consisting of three licensed practical nurses. The present members of the Assistant Board of Practical Nurse Examiners shall serve as members of said Assistant Board until the expiration of their respective terms, or until their successors have been appointed and qualified under the provisions of this Act. At least three months prior to the appointment of any member of said Assistant Board, the Kentucky State Association of Licensed Practical Nurses shall submit a list of members qualifying for appointment, in number not less than twice the appointments to be made, to the Board, from which such appointments shall be made. The term of office of members of said Assistant Board shall be three years from the date of their respective appointments. In the event of a vacancy, the Assistant Board shall certify the same to the Board together with a list of members as aforesaid, and the Board shall fill the vacancy for the unexpired term as herein provided. Such Assistant Board shall advise and assist the Board with respect to the qualification, examination and licensing of practical nurses and the accreditation of schools of practical nursing and prescription of minimum curricula therefor.

Section 5. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) The Board shall, upon call of the president, meet annually within thirty days after each annual appointment or appointments as made herein and shall elect from its members a president and a secretary-treasurer. It shall hold such other meetings during the year as may be deemed necessary to transact its business, upon the call of the president or a majority of the members of the Board. A majority of the members of the Board, including one officer, shall constitute a quorum at any meeting.

(2) The Board is authorized to:

(a) Adopt and from time to time revise such rules and regulations, not inconsistent with law, as may be necessary to enable it to carry into effect the provisions of this Act.

(b) Prescribe the minimum curricula and standards for schools of nursing, preparing and training persons for licensure under this Act.

(c) Provide for and conduct surveys and inspections of schools of nursing at such times as it may deem necessary.

(d) Accredit schools of nursing that meet the requirements of this Act and the duly adopted regulations of the Board.

(e) Deny or withdraw accreditation from schools of nursing for failure to meet the minimum prescribed curricula or other standards prescribed under the duly adopted regulations of the Board.

(f) Examine, license and renew the license of duly qualified applicants.

(g) Conduct hearing upon charges for the discipline or revocation of a licensee.

(h) Issue subpoenas and compel the attendance of witnesses and administer oaths to persons giving testimony at hearings.

(i) Cause the prosecution of all persons violating this Act and have power to incur such necessary expenses therefor.

(j) Keep a record of all its proceedings.

(k) Make an annual report to the Governor.

(l) Appoint and employ a qualified person to serve as executive director to the Board, and shall fix his compensation and define his duties. It may employ such other persons as may be necessary to carry on the work of the Board.

(3) The executive director shall meet all the qualifications for board members and have had at least eight years experience since graduation, five years of which shall have been in teaching or in administration of a program preparing nurse practitioners or in a combination of these; and have been actively engaged in nursing education for at least five years immediately preceding appointment.

Section 6. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) An applicant for a license to practice as a registered nurse shall submit to the board written evidence, verified by oath, that said applicant is of good moral character; has completed an approved four-year high school course of study or the equivalent thereof as determined by the appropriate educational agency; and has completed the required nursing education program at an accredited school of nursing and hold a diploma therefrom.

(2) The applicant shall be required to pass a written examination in such subjects as the Board may determine. Each written examination may be supplemented by an oral ro practical examination. Upon successfully passing such examination, the Board shall issue to the applicant a license to practice as a registered nurse.

(3) The Board may issue a license to practice as a registered nurse by endorsement to an applicant who has been duly licensed as a registered nurse under the laws of another state, territory or foreign country, if in the opinion of the Board the applicant meets the qualifications required of registered nurses in this state.

(4) The applicant applying for a license to practice as a registered nurse shall pay a fee of not more than $25.

(5) Any person who holds a license to practice as a registered nurse in this state shall have the right to use the title "Registered Nurse" and the abbreviation "R.N." No other person shall assume such title or use such abbreviation or any other words, letters, signs, or devices to indicate the person using the same is a registered nurse.

Section 7. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) An applicant for a license to practice as a licensed practical nurse shall submit to the Board written evidence that the applicant is at least eighteen years of age, is of good moral character, has completed at least one year of high school or its equivalent as determined by an appropriate educational agency, and has completed the required educational program in practical nursing at an accredited school of nursing and holds a diploma or certificate therefrom.

(2) The applicant shall be required to pass a written examination in such subjects as the Board may determine. Each written examination may be supplemented by an oral or practical examination. Upon successfully passing such examination the Board shall issue to the applicant a license to practice as a licensed practical nurse.

(3) The Board may issue a license to practice as a licensed practical nurse by endorsement to any applicant who has been duly licensed as a licensed practical nurse under the laws of another state, territory or foreign country if in the opinion of the Board, the applicant meets the requirements for a licensed practical nurse in this state.

(4) The applicant applying for a license to practice as a practical nurse shall pay a fee of not more than $25 to the Board.

(5) Any person who holds a license to practice as a licensed practical nurse in this state shall have the right to use the title "Licensed Practical Nurse" and the abbreviation "L.P.N." No other person shall assume such title or use such abbreviation, or any other words, letters, signs, or devices to indicate that the person using the same is a licensed practical nurse.

Section 8. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) The license of every person licensed under the provisions of this Act shall be annually renewed except as hereinafter provided. At least six weeks before the renewal date the Board shall mail an application for renewal to every person to whom a license was issued during the current year. The applicant shall fill in the application form and return it to the Board with the renewal fee prescribed by the Board but not in excess of $10.00 before the expiration date of his current license. Upon receipt of the application and fee the Board shall verify the accuracy of the application and issue to the applicant a license to practice for the ensuing year. Such license shall render the holder a legal practitioner of nursing for the period stated on it. The Board shall prescribe by regulation the beginning and ending of the licensed year.

(2) Any licensee who fails to renew his license prior to the expiration date shall, if application for renewal is received within two months of the expiration date thereof, pay a delinquent fee of $1.00.

(3) Any licensee who allows his license to lapse by failing to renew the license within two months of the expiration date thereof may be reinstated by the Board on satisfactory explanation for such failure to renew the license and on payment of the current examination fee.

(4) Any person practicing nursing during the time the license has lapsed shall be considered an illegal practitioner and shall be subject to the penalties provided hereunder.

Section 9. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) An institution desiring to conduct a school of nursing shall apply to the Board and submit evidence that it is prepared to carry out the minimum prescribed basic curriculum in nursing and that it is prepared to fulfill other requirements of standards which are established by this law and by duly adopted regulations of this Board. No person shall operate a nursing education program or school of nursing without complying with the provisions of this section.

(2) A survey of the institution and its proposed nursing education program shall be made by the Executive Director or an authorized employee of the Board who shall submit a written report of the survey to the Board. If in the opinion of the Board the requirements for an accredited nursing education program or school of nursing are met it shall accredit the program or school.

(3) From time to time as deemed necessary by the Board, it shall be the duty of the Board through its Executive Director or an authorized employee of the Board, to survey all nursing education programs or schools of nursing in the state. Written reports of such

surveys shall be submitted to the Board. If the Board determines that any accredited nursing education program or school of nursing is not maintaining the standards required by the statutes and by the Board, notice thereof in writing specifying the defect or defects shall be immediately given to the institution conducting the program or school. A program which fails to correct these conditions to the satisfaction of the Board within a reasonable time shall be discontinued after hearing.

Section 10. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) The Board shall have power to deny, revoke, probate or suspend any license to practice nursing issued by the Board or applied for in accordance with this Act, or to otherwise discipline a licensee upon proof that the person: is guilty of fraud or deceit in procuring or attempting to procure a license to practice nursing; or is guilty of a crime or gross immorality; or is unfit or is incompetent by reason of negligence, habits or other causes; or is habitually intemperate or is addicted to the use of habit-forming drugs; or is mentally incompetent; or is guilty of unprofessional conduct; or has willfully or repeatedly violated any of the provisions of this Act.

(2) A revoked licensee may be relicensed upon such terms of probation as the Board may prescribe after a period of three years, in the sole discretion of the Board.

Section 11. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) All fees received by the Board pursuant to this Act shall be deposited at the end of each month with the State Treasurer of the Commonwealth of Kentucky, who shall place the money to the credit of the Board of Nursing Revolving Fund. This fund shall be held subject to the order of the Board to be used for carrying out the provisions of this Act. It may include but is not limited to expenditures for surveys, institutes, conferences or other such means to improve nursing education and nursing service in this state.

(2) All funds which may have accumulated to the credit of the Board of Nursing Education and Nursing Registration under any former licensing Act shall be continued for use by the Board of Nursing in the administration of this Act.

Section 12. A new section of the Kentucky Revised Statutes is created to read as follows:

This Act does not prohibit: the furnishing of nursing assistance in an emergency; the practice of nursing which is incidental to their program of study by students enrolled in nursing education programs accredited by the Board; the practice of any legally qualified nurse of another state who is employed by the U. S. Government or any bureau, division or agency thereof, while in the discharge of his or her official duties; or the employment of aides, orderlies, attendants or other ancillary workers in private homes, hospitals, nursing homes, physicians' offices, or other institutions and agencies.

Section 13. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) Any person aggrieved by an order of the Board may, within thirty days after mailing of notice thereof, appeal to the Franklin Circuit Court. Two copies of the petition for appeal shall be served upon the Board. Within twenty days after service of summons upon it, the Board shall file an answer and a certified copy of the record of all proceedings and evidence before it, the cost of which shall be taxed as costs on appeal.

(2) No new or additional evidence, except on the issue of fraud, shall be introduced. The court shall on review be limited to a determination of whether the Board acted without or in excess of its powers and whether there is any substantial evidence to support the Board's findings of fact.

(3) Whenever, in the opinion of the Board, delay in the enforcement of any order would jeopardize the public health and safety, it shall so find therein and such order shall not be enjoined, restrained or stayed pending a final determination of any appeal taken therefrom.

(4) Any party may appeal from the judgment of the Franklin Circuit Court to the Court of Appeals in accordance with the Rules of Civil Procedure.

Section 14. A new section of the Kentucky Revised Statutes is created to read as follows:

The Board may institute, in its own name and without posting bond in connection therewith, proceedings to temporarily restrain or enjoin any violation of the provisions of this Act. Violations of injunctions or restraining orders obtained hereunder shall be punished as a contempt without the intervention of a jury.

Section 15. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) Any person holding on July 1, 1964, a valid license issued under a previous licensing Act, shall thereafter be deemed to be licensed as a registered nurse or as a licensed practical nurse, entitled to renewal of such license upon compliance with the provisions of this Act.

(2) Any person heretofore licensed as a registered nurse or as a practical nurse under the licensing laws of this state who has al-

lowed such license to lapse by failure to renew may apply for reinstatement of such license under the provisions of this Act.

Section 16. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) Any person who willfully makes any false representation to the Board in applying for a license under this Act shall be fined not more than five hundred dollars.

(2) Any person who violates any provision of this Act for which no other penalty has been provided shall be fined not less than ten dollars nor more than one hundred dollars. Each day he violates any provision hereof shall be considered a separate offense.

Section 17. Sections 314.010, 314.200, 314.210, 314.220, 314.230, 314.240, 314.250, 314.260, 314.270, 314.310, 314.320, 314.330, 314.340, 314.350, 314.360, 314.370, 314.380, 314.390 and 314.990 of the Kentucky Revised Statutes are hereby repealed.

Section 18. This Act shall become effective July 1, 1964.

Said Committee Amendment #1 to **SB 65** is as follows:

Amend printed copy of Senate Bill 65 on page 2, line 16, by: after "nurse" delete "or" and add: "and/or orders of . . ." and on page 2, following line 28, by adding: "Nothing in this Act shall be construed as prohibiting care of the sick, with or without compensation, where such care is rendered by an aide, orderly, attendant or other ancllary employee in private homes, hospitals, nursing homes, physicians' offices or other institutions and agencies, by persons not holding themselves out to be a Registered Nurse or a Licensed Practical Nurse."

Said Committee Amendment #2 to **SB 65** is as follows:

Amend printed copy of Senate Bill 65 on page 3, line ____, by: Deleting lines 18 through 26 in their entirety and insert in lieu thereof the following:

"Appointments and vacancies, including the original appointments, shall be made as follows: At least three months before the expiration of the term of a member of the Board, the Kentucky Association of Licensed Practical Nurses shall submit a list of at least two names from which one member of the Board shall be appointed by the Governor. Likewise, the Kentucky State Medical Association shall submit a list of at least two names from which one member of the Board shall be appointed by the Governor. Likewise, the Kentucky League for Nursing shall submit a list of at least two names from which one member of the Board shall be appointed by the Governor. Likewise, the Kentucky Hospital Association shall submit a list of names, at least two for each position, from which two members of the Board shall be appointed by the Governor. Likewise, the Kentucky

State Association of Registered Nurses shall submit to the Governor a list of names, at least two for each vacancy, from which two members of the Board shall be appointed by the Governor."

And on page 4, by deleting lines 2 through 10 in their entirety and inserting in lieu thereof the following:

"Each member of the Board shall be a citizen of the United States, a resident of Kentucky, and those nominated by the Kentucky State Association of Registered Nurses shall be graduates of an accredited school of nursing, a registered nurse in this state, and hold at least a Bachelor's Degree in Nursing, and in addition shall have at least five years' experience, three of which shall immediately precede such appointment in administration or teaching in schools of nursing and/or administration or supervision of nursing service. The members certified by the Kentucky Hospital Association shall be administrators of licensed hospitals within the State of Kentucky, at least one of which shall be the administrator of a hospital conducting a school of nursing. The members submitted by the Kentucky State Medical Association shall be licensed medical doctors in private practice within the State of Kentucky. The members submitted by the Kentucky League for Nursing shall be members in good standing of that organization. The members nominated by the Kentucky State Association of Practical Nurses shall be graduates of an accredited school of practical nursing with at least three years' experience in the practice of licensed practical nursing."

And on page 4, lines 1 lthrough 28, and on page 5, lines 1 and 2, by deleting in their entirety.

And on page 6, following line 21, by inserting the following:

"(4) The present members and officers of the Board of Nursing Education and Nurse Registration, appointed pursuant to Chapter 183, 1950 Acts of General Assembly, shall serve as members and officers of said Board until the expiration of their respective terms, or until their successors shall have been appointed and qualified under the provisions of this Act and no additional duties or actions shall be promulgated until the new Board is constituted as called for in Senate Bill No. 65 (Regular Session, 1964), except as precedent was set under the previous Board of Nursing Education and Nurse Registration."

And on page 12, following line 12, by inserting the following:

"Nothing contained herein shall be construed to confer upon the Board of Nursing the power to interfere and infringe upon the authority that the management and/or trustees of any hospital has to manage, direct, supervise, control the internal affairs of any hospital nor shall this Act be construed to confer the power upon the Board to define job classifications or job descriptions or to stipulate rules or regulations that apply to the duties of employees of the hospital.

This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.".

Said Committee Amendment #3 to **SB 65** is as follows:

Amend printed copy of Senate Bill 65 on page 5, line 2, by: Adding after line 2 the following subsection:

"(6) The Governor shall appoint an Advisory Council to the Board consisting of not more than eight members and consisting of representatives of the nursing profession, medical profession, dental profession, hospital and nursing home administrations and the general public. The Council shall function in an advisory capacity only as a constructive force in establishing and maintaining standards of nursing and licensure regulations in the interest of public protection."

Said Committee Amendment #4 to **SB 65** is as follows:

Amend printed copy of Senate Bill 65 on page 7, line 28, by: Striking said line 28 and substituting in lieu thereof the following: "character, has completed at least three years, if twenty-five years of age or less, or at least one year, if more than twenty-five years of age, of high school or its"

Said Committee Amendment #5 to **SB 65** is as follows:

Amend printed copy of Senate Bill 65 on page 11, lines 12 and 13, by: Striking therefrom the following: "after a period of three years, in the sole discretion of the Board."

Said Committee Amendment #6 to **SB 65** is as follows:

Amend printed copy of Senate Bill 65 on page 12, line ----, by: Following line 12 by inserting the following: "Nothing in this Act shall be construed as prohibiting care of the sick with or without compensation or personal profit when done in connection with the practice of the religious tenets of any recognized or established church by adherents thereof as long as they do not engage in the practice of nursing as defined in this Act.".

Said Committee Amendment #7 to **SB 65** is as follows:

Amend printed copy of Senate Bill 65 on page 12, line 12, by: Creating a new subsection following line 12 to read as follows:

"(2) A temporary work permit may be issued by the Board to persons who have completed requirements for, applied for and paid the fee for licensure by examination or endorsement. Temporary work permits shall be issued only for the length of time required to process applications for endorsement or to conduct and determine the results of examinations and shall not be renewed. No temporary work permit shall be issued to an applicant who has failed the licensure examination."

Said Committee Amendment #8 to **SB 65** is as follows:

Amend printed copy of Senate Bill 65 on page 13, line 24, by: Creating a new subsection following line 24 to read as follows:

"(3) For a period of six months following the effective date of this Act, persons not possessing the educational requirements herein specified but otherwise qualified may be licensed as a registered nurse or a licensed practical nurse, provided that they have been actively engaged in the practice of nursing in this state for at least two years within the five-year period immediately preceding the effective date of this Act, and further provided that they successfully pass the examination for licensure as a registered nurse or a licensed practical nurse."

Said Committee Amendment #9 to **SB 65** is as follows:

Amend printed copy of **SB 65** on page 14, line 11, by: adding after line 11, the following:

"Section 19. No provision of KRS 314.200 to 314.260 shall be construed as . . . to apply to any Christian Science Nurse."

"Section 20. KRS 314.310 to 314.390 shall not affect or apply to nursing the sick, either gratuitously or for compensation by a member of the family, or to a person nursing the sick who does not in any way assume or hold himself out to be a licensed practical nurse."

Said Committee Amendment #10 to **SB 65** is as follows:

Amend printed copy of Senate Bill 65 on page 14, line 11, by: Adding: Section 19, Nothing in this Act shall apply to chiropractic nurses and technicians, and all rules and regulations pertaining to chiropractic nurses and technicians shall be promulgated and enforced by the Kentucky State Board of Chiropractic Examiners, pursuant to Kentucky Revised Statutes, Chapter 312.

SB 157, AN ACT relating to liability of parents for acts of delinquent children.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

A parent or guardian having custody of a child is charged with the control of such child and shall have the power to exercise parental control and authority over such child. In any case where a child is found delinquent and placed on probation, if the court finds at the hearing that the parent having custody of such child has failed or neglected to subject him to reasonable parental control and authority, and that such failure or neglect is the proximate cause of the act or acts of the child upon which the finding of delinquency is based, the court may require such parent to enter into a recognizance with sufficient surety, in an amount of not more than five hundred dollars, conditioned upon the faithful discharge of the conditions of probation of such child. If the child thereafter commits a second act and is by reason thereof found delinquent, or violates the conditions of probation, and the court finds at the hearing that the failure or neglect of such parent to subject him to reasonable parental control and authority or to faithfully discharge the conditions of probation of such child on the part of such parent, is the proximate cause of the act of the child upon which such second finding of delinquency is based, or upon which such child is found to have violated the conditions of his probation, the court may declare all or a part of the recognizance forfeited and the amount of such forfeited recognizance shall be applied in payment of any damages which may have been caused by such child, if there be such damages, otherwise, the proceeds therefrom, or part remaining after the payment of damages as aforesaid, shall be paid into the county treasury.

The provisions of this section as it relates to failure or neglect of parents to subject a child to reasonable parental control and authority shall be in addition to and not in substitution for any other sections of this chapter relating to failure or neglect to exercise such parental control or authority. The provisions of this section shall not apply to foster parents.

HB 203, AN ACT relating to minimum public assistance payments to persons totally and permanently blind.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. This Act shall be known as the Amandy Moses Act.

Section 2. KRS 205.210 is amended to read:

(1) The amount of public assistance to be granted *except as set forth in subsection (2)* shall be determined with due regard to the needs and resources of the individual and family as prescribed by regulation, provided, that if available funds during a budgetary period are insufficient to meet the full needs of the recipients in all or any of the categories of public assistance, the funds available shall be reasonably prorated to recipients in such categories according to pending and anticipated applications during such budgetary period.

(2) A minimum of forty dollars per month shall be paid to each person who is totally and permanently blind to such an extent as to

be unable to distinguish with or without glasses light from darkness. Any payment to a person who is totally and permanently blind above forty dollars per month shall be determined with due regard to the needs and resources of the individual and family as prescribed by regulation, and shall be subject to being prorated if available funds during any budgetary period are insufficient to meet the full needs of the recipients in all or any of the categories of public assistance.

(3) [2] Notwithstanding any other provisions of law to the contrary, resources in any given case shall be deemed to include among other things:

(a) The income and any property belonging to any applicant or recipient; except the exemptions of the kind and amount of income prescribed by regulations within the scope of the Social Security Act, its amendments and federal regulations. [;]

(b) The income and any property of the spouse living with any needy aged, needy blind or needy permanently and totally disabled person. [;]

(c) Such income and resources as may be available to applicants or recipients from persons legally liable for their support.

(4) [3] The value of any property voluntarily transferred by any applicant or recipient or the spouse living with any applicant or recipient for the purpose of establishing eligibility for public assistance shall be deemed a resource of such applicant or recipient under this section.

Senator Gardner moved to dispense with the Rules for the purpose of introducing bills. Agreed.

Introduction of Bills

SB 215, by Senator VanHoose: AN ACT relating to cities of the fourth class.

SB 216, by Senator Howard: AN ACT relating to area planning.

SB 217, by Senators Kinkead and Howard: AN ACT relating to planning, zoning, subdivision regulations and official maps.

The President Pro Tempore vacated the chair, Senator Kidwell presiding.

Orders of the Day—continued

SB 50 taken from Orders of the Day with Committee Amendment attached thereto, and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majoriy of members elected.

Senator Ware moved the adoption of the Committee Amendment to **SB 50**. Agreed.

Senator Ware moved the Previous Question on **SB 50**, as amended. Agreed.

On the roll call the vote was yeas 25—Billington, Blue, Bonn, Brizendine, Buckman, Derickson, Duffy, Engle, Fuqua, Gardner, Howard, Kelly, Kidwell, Kinkead, Kiser, Layne, McGinty, Miller, Newberry, Nichols, Palmer, Raybourne, Spence, Turner, Ware. Nays 6—Duncan, Garrett, D. Johnson, Mobley, Swope, VanHoose.

SB 50, as amended, was passed and the title agreed to.

Senator Ware moved that the vote by which **SB 50**, as amended, was passed be reconsidered and that said motion be laid on the table. Agreed.

Senator Kidwell vacated the chair, the President Pro Tempore Senator Ware presiding.

Senator Gardner moved that **SB 181**, **SB 110**, **SB 107** and **SB 106** retain their places in Orders of the Day. Agreed.

SR 13 taken from Orders of the Day, with the Committee Amendment attached thereto, and ordered read at length for the third time. Senator Gardner moved that it be read by tile only. Agreed by a majority of members elected.

Senator Gardner moved the adoption of the Committee Amendment to **SR 13**. Agreed.

Senator Gardner moved the Previous Question on **SR 13**, as amended. Agreed.

Senator Gardner moved the adoption of **SR 13**. Agreed.

SB 107 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Layne offered Amendment #1 to **SB 107** and moved its adoption. Agreed.

Said Amendment #1 to **SB 107** is as follows:

Amend printed copy of Senate Bill 107, on page 1, line 3, by: Deleting the word "shall" and inserting in lieu thereof the word "may".

Senator Layne moved the Previous Question on **SB 107**, as amended. Agreed.

On the roll call the vote was yeas 35—Billington, Blue, Bonn, Brizendine, Buckman, Derickson, Duffy, Duncan, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, Howard, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Swope, Turner, VanHoose, Ware. Nays 0.

SB 107, as amended, was passed and the title agreed to.

Senator Layne moved that the vote by which **SB 107**, as amended, was passed be reconsidered and that said motion be laid on the table. Agreed.

HB 198 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected. Senator Howard moved that **HB 198** retain its place in Orders of the Day. Said motion lost by a standing vote of thirteen to fourteen.

Senator Gardner moved the Previous Question on **HB 198**. Agreed.

On the roll call the vote was yeas 34—Billington, Blue, Bonn, Brizendine, Derickson, Duffy, Duncan, Edwards, Fuqua, Gardner, Garrett, Gay, Howard, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

HB 198 was passed and the title agreed to.

Senator Gardner moved that the vote by which **HB 198** was passed be reconsidered and that said motion be laid on the table. Agreed.

The President Pro Tempore vacated the chair, President Waterfield presiding.

SB 169 taken from Orders of the Day with Committee Amendment attached thereto, and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Fuqua moved the adoption of the Committee Amendment to **SB 169**. Agreed.

Senator Fuqua offered Amendment #2 to **SB 169** and moved its adoption. Agreed. Said Amendment #2 to **SB 169** is as follows:

Amend printed copy of Senate Bill 169 on page 2, Section 3, by: Inserting a new subsection number subsection (4) following the end of subsection (3) on line 18 as follows:

(4) Employees of the Department of Highways while performing their duties for the Department.

Senator Fuqua moved the Previous Question on **SB 169**, as amended. Agreed.

On the roll call the vote was yeas 30—Billington, Bonn, Brizendine, Derickson, Duffy, Duncan, Edwards, Engle, Fuqua, Gardner, Garrett, Howard, D. Johnson, F. Johnson, Kelly, Kidwell, Kiser, Layne, Mann, McCann, McGinty, Miller, Mobley, Newberry, Palmer, Spence, Swope, Turner, Van Hoose, Ware. Nays 1—Blue.

SB 169, as amended, was passed and the title agreed to.

Senator Fuqua moved that the vote by which **SB 169**, as amended, was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 92 taken from Orders of the Day and ordered read at length for the third time. Senator Duffy moved that it be read by title only. Agreed by a majority of members elected.

Senator Garrett moved the Previous Question on **SB 92**. Agreed.

On the roll call the vote was yeas 32—Billington, Blue, Bonn, Brizendine, Derickson, Duffy, Duncan, Edwards, Engle, Fuqua, Gardner, Garrett, Howard, D. Johnson, F. Johnson, Kelly, Kidwell, Kiser, Layne, Mann, McCann, McGinty, Miller, Mobley, Newberry, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

SB 92 was passed and the title agreed to.

Senator Garrett moved that the vote by which **SB 92** was passed be reconsidered and that said motion be laid on the table. Agreed.

Senator Gardner moved that the Rules be suspended for the purpose of introducing a resolution. Agreed.

Introduction of Resolution

SR 37 by Senator VanHoose: A RESOLUTION requesting and petitioning the Governor to extend the time for licensing motor vehicles.

WHEREAS, March 1, 1964 is the statutory deadline for licensing of motor vehicles for the year 1964; and

WHEREAS, there appears to be a lag in purchasing licenses; and

WHEREAS, it would greatly increase the burden on the county clerks to issue licenses to those who have not already purchased such licenses in the short amount of time remaining;

NOW, THEREFORE,

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Governor of the Commonwealth of Kentucky be requested and petitioned to grant a ten-day extension of time from March 1, 1964, for licensing of motor vehicles.

Section 2. That the Clerk of the Senate send a certified copy of this resolution to the Honorable Edward T. Breathitt, Governor of the Commonwealth of Kentucky.

Senator VanHoose moved the adoption of **SR 37.** Agreed.

Senator Duffy moved that **SB 82, SB 81** retain their places in Orders of the Day. Agreed.

SB 35 taken from Orders of the Day with Committee Amendment attached thereto, and ordered read at length for the third time. Senator Duffy moved that ti be read by title only. Agreed by a majority of members elected.

Senator Duffy moved the adoption of the Committee Amendment to **SB 35.** Agreed.

Senator Donald Johnson moved the Previous Question on **SB 35,** as amended. Agreed.

On the roll call the vote was yeas 32—Billington, Blue, Bonn, Brizendine, Derickson, Duffy, Duncan, Edwards, Engle, Gardner, Garrett, Gay, Howard, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, McCann, McGinty, Miller, Mobley, Newberry, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

SB 35, as amended, was passed and the title agreed to.

Senator Donald Johnson moved that the vote by which **SB 35,** as amended, was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 9 taken from Orders of the Day, with the Committee Amendment attached thereto, and ordered read at length for the third time. Senator Donald Johnson moved that it be read by title only. Agreed by a majority of members elected.

Senator Donald Johnson moved the adoption of the Committee Amendment to **SB 9.** Agreed.

Senator Donald Johnson moved the Previous Question on **SB 9,** as amended. Agreed.

On the roll call the vote was yeas 34—Billington, Blue, Bonn, Brizendine, Buckman, Derickson, Duffy, Duncan, Edwards, Engle, Fuqua, Gardner, Garrett, Howard, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Miller, Mobley, Newberry, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

SB 9, as amended, was passed and the title agreed to.

Senator Donald Johnson moved that the vote by which **SB 9**, as amended, was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 158 taken from Orders of the Day and ordered read at length for the third time. Senator Buckman moved that it be read by title only. Agreed by a majority of members elected.

Senator Buckman moved the Previous Question on **SB 158.** Agreed.

On the roll call the vote was yeas 29—Billington, Blue, Bonn, Brizendine, Buckman, Derickson, Duffy, Duncan, Edwards, Fuqua, Gardner, Garrett, Gay, D. Johnson, F. Johnson, Kelly, Kidwell, Kiser, Layne, McCann, Mobley, Newberry, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 2—Howard, McGinty.

SB 158 was passed and the title agreed to.

Senator Buckman moved that the vote by which **SB 158** was passed be reconsidered and that said motion be laid on the table. Agreed.

Committee Substitute for **SB 90** taken from Orders of the Day and ordered read at length for the third time. Senator Duffy moved that it be read by title only. Agreed by a majority of members elected.

Senator Mobley moved the adoption of the Committee Substitute to **SB 90.** Agreed.

On the roll call the vote was yeas 23—Blue, Bonn, Brizendine, Buckman, Duffy, Duncan, Fuqua, Garrett, Gay, Howard, D. Johnson, Kinkead, Kiser, Layne, Mann, McCann, Miller, Mobley, Palmer, Raybourne, Swope, Turner, Van Hoose. Nays 6—Billington, Derickson, Gardner, F. Johnson, Kidwell, Newberry.

SB 90 was passed and the title agreed to.

Senator Mobley moved that the vote by which **SB 90** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 91 taken from Orders of the Day and ordered read at length for the third time. Senator Duffy moved that it be read by title only. Agreed by a majority of members elected.

Senator Mobley moved the Previous Question on **SB 91.** Agreed.

On the roll call the vote was yeas 15—Blue, Bonn, Duffy, Duncan, Fuqua, Gay, Kinkead, Kiser, Layne, Mann, McGinty, Miller, Mobley, Swope, Van Hoose. Nays 8—Billington, Edwards, Gardner, D. Johnson, F. Johnson, Newberry, Turner, Ware.

SB 91 was defeated.

SB 70 taken from Orders of the Day and ordered read at length for the third time. Senator Duffy moved that it be read by title only. Agreed by a majority of members elected.

Senator Duffy offered Amendment #1 to **SB 70** and moved its adoption. Agreed. Said Amendment #1 to **SB 70** is as follows:

Amend printed copy of Senate Bill 70 on page 10, line 22-24, by: striking out all of said lines and inserting in lieu thereof the following: "schedule and publish notice thereof *pursuant to KRS Ch. 424* [once a week for three consecutive weeks in a daily newspaper published in the county having the largest circuation therein]. The notice so published"

On page 23, lines 19 and 20, by striking the words: "in three issues of a newspaper of general circulation in the county." and inserting in lieu thereof the words: "pursuant to KRS Chapter 424."

On page 26, lines 5 and 6, by striking out the words: "in three issues of a newspaper of general circulation within the county." and inserting in lieu thereof the words: "pursuant to KRS Chapter 424."

On page 32, lines 16 to 18, by striking out all of said lines and inserting in lieu thereof the following: "shall give notice of it pursuant to KRS Chapter 424. The first notice"

On page 33, line 14, by deleting "and" and inserting after the word "sewers" the following: "and any other facilities necessary"

On page 33, line 17, by inserting after word "to" the words: "and dispose of the sewage in".

On page 34, line 13, by adding at the end thereof the following: "If the principal amount of the bonds outstanding becomes less than 10 times the amount in the fund, any excess in the fund (beyond the maximum amount authorized) shall be transferred to a separate special fund to be spent, when deemed advisable by the board, for construction, improvement, maintenance, or operation of sewerage or drainage facilities which will benefit the construction subdistricts which have contributed to the fund".

On page 36, line 26, by deleting the word "or".

On page 36, line 27, by inserting after word "sewers" the following: "and any other facilities necessary to".

On page 44, line 24, by deleting words "July following" and by substituting "the first month which starts more than 30 days after".

On page 44, line 28, by inserting at the end thereof the following: "The first year of each term shall end on the first day of July which occurs at least six months after the creation of the sanitation tax district".

On page 45, lines 25 and 26, by deleting the words: ", storm water and surface drainage system" and substituting "and sewage treatment system, or storm water and surface drainage system, or both".

On page 45, line 27, by inserting the words: "sanitation tax" between the words: "the" and "district".

Senator Duffy offered Amendment #2 to **SB 70** and moved its adoption. Agreed.

Said Amendment #2 to **SB 70** is as follows:

Amend printed copy of Senate Bill 70 on page 50, by: adding a new section on Page 50, beginning on line 22, as follows:

Section 49. Section 76.120 of the Kentucky Revised Statutes is amended to read as follows:

Where railroad tracks, street railroad tracks, gas or water pipes, telephone wires, telegraph wires, electric light or power lines, or conduits, for carrying telephone or telegraph or electric wires, or poles, or other structures of any public service corporation, extend in, along or across any part of the work authorized by KRS 76.010 to 76.220, it shall be and become the duty of the person or corporation owning or using such tracks, pipes, wires, conduits, poles, or other structures, to make such changes in the same at the expense of the district as may be required during the construction of any improvement provided for in KRS 76.010 to 76.220, and to construct or rebuild at the expense of the district its tracks, pipes, wires, conduits, poles, or other structures, over or along the work by KRS 76.010 to 76.220 authorized and constructed, and at its own expense to maintain the same after such work has been completed; provided, however, such changes of that part of such tracks, pipes, wires, conduits, poles or other structures as may be or extend in a public way, shall be made at the expense of the public service corporation owning or using the same only if necessary to afford the district reasonable use of such public way. Reasonable notice in writing of such necessary changes shall be given by the district to the parties concerned. The district may, *after obtaining the written approval of the agency owning the right of way thereof,* enter upon streets, highways, bridges, or public places, for the purpose of constructing any additions, betterments, or extensions of the facilities of the district. Whenever the district has entered upon and damaged any street, highway, bridge, or other public place, same shall be restored to its former condition at the expense of the district.

Senator Duffy offered Amendment #3 to **SB 70** and moved its adoption. Agreed.

Said Amendment #3 to **SB 70** is as follows:

Amend printed copy of Senate Bill 70 on page 13, line 28, by: on Page 13, line 28, after the word "easement" add the following: "in property under the jurisdiction of the Department of Highways or"

Senator Duffy moved the Previous Question on **SB 70**, as amended. Agreed.

On the roll call the vote was yeas 33—Billington, Blue, Bonn, Brizendine, Buckman, Derickson, Duffy, Duncan, Edwards, Engle, Fuqua, Gardner, Gay, Howard, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, McCann, McGinty, Miller, Mobley, Newberry, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

SB 70, as amended, was passed and the title agreed to.

Senator Miller moved that the vote by which **SB 70**, as amended, was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 124 taken from Orders of the Day, with the Committee Amendment attached thereto, and ordered read at length for the third time. Senator Bonn moved that it be read by title only. Agreed by a majority of members elected.

Senator Bonn moved the adoption of the Committee Amendment to **SB 124**. Agreed.

Senator Bonn moved the Previous Question on **SB 124**, as amended. Agreed.

On the roll call the vote was yeas 27—Blue, Bonn, Brizendine, Buckman, Derickson, Duncan, Engle, Fuqua, Gardner, Gay, F. Johnson, Kelly, Kidwell, Kiser, Layne, Mann, McCann, McGinty, Mobley, Newberry, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

SB 124, as amended, was passed and the title agreed to.

Senator Bonn moved that the vote by which **SB 124**, as amended, was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 149 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the Previous Question on **SB 149**. Agreed.

On the roll call the vote was yeas 31—Billington, Blue, Bonn, Brizendine, Buckman, Derickson, Duffy, Duncan, Engle, Fuqua, Gardner, Gay, Howard, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, McCann, McGinty, Miller, Mobley, Newberry, Palmer, Raybourne, Spence, Swope, Turner Van Hoose Ware. Nays 0.

SB 149 was passed and the title agreed to.

Senator Gardner moved that the vote by which **SB 149** was passed be reconsidered and that said motion be laid on the table. Agreed.

HB 95 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Derickson moved the Previous Question on **HB 95.** Agreed.

On the roll call the vote was yeas 32—Billington Blue, Bonn, Brizendine, Buckman, Derickson, Duffy, Duncan, Engle, Fuqua, Gardner, Gay, Howard, D. Johnson, F. Johnson, Kelly, Kidwell Kinkead, Kiser, Mann, McCann, McGinty, Miller, Mobley, Newberry, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

HB 95 was passed and the title agreed to.

Senator Gardner moved that the vote by which **HB 95** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 47 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Duffy offered Amendment #1 to **SB 47** and moved its adoption. Agreed.

Said Amendment #1 to **SB 47** is as follows:

Amend printed copy of Senate Bill 47 on page 2, line 1, by: deleting "." after the word sale and substituting in place thereof ";" and adding the following "Provided, however, no part of the proceeds of such sale shall be reinvested in other park property used, or to be used, for a zoo or zoological gardens."

Senator VanHoose moved the Previous Question on **SB 47,** as amended. Agreed.

On the roll call the vote was yeas 28—Billington, Blue, Bonn, Brizendine, Buckman, Derickson, Duffy, Duncan, Engle, Fuqua, Gardner, Gay, F. Johnson, Kelly, Kidwell, Kinkead, Layne, Mann, McCann, McGinty, Miller, Mobley, Newberry, Raybourne, Spence, Turner, Van Hoose, Ware. Nays 2—D. Johnson, Swope.

SB 47, as amended, was passed and the title agreed to.

Senator McGinty moved that the vote by which **SB 47,** as amended, was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 33 taken from Orders of the Day, with the Committee Amendment attached thereto, and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Kelly moved that the Committee Amendment to **SB 33** be adopted. Agreed.

Senator Kelly moved the Previous Question on **SB 33**, as amended. Agreed.

On the roll call the vote was yeas 31—Billington, Blue, Bonn, Brizendine, Buckman, Derickson, Duffy, Duncan, Fuqua, Gardner, Gay, Howard, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Mobley, Newberry, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

SB 33, as amended, was passed and the title agreed to.

Senator Kelly moved that the vote by which **SB 33**, as amended, was passed be reconsidered and that said motion be laid on the table.

HB 72 taken from Orders of the Day with Committee Amendment attached thereto, and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majoriy of members elected.

Senator Billington moved the adoption of the Committee Amendment to **HB** 72. Agreed.

On the roll call the vote was yeas 31—Billington, Blue, Bonn, Brizendine, Derickson, Duffy, Duncan, Engle, Fuqua, Gardner, Gay, Howard, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Mobley, Newberry, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

HB 72, as amended, was passed and the title agreed to.

Senator Gardner moved that the vote by which **HB 72**, as amended, was passed be reconsidered and that said motion be laid on the table. Agreed.

HB 106 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Layne moved the Previous Question on **HB 106**. Agreed.

On the roll call the vote was yeas 31—Billington, Blue, Bonn, Brizendine, Buckman, Derickson, Duffy, Fuqua, Gardner, Gay, Howard, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Miller, Mobley, Newberry, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

HB 106 was passed and the title agreed to.

Senator Layne moved that the vote by which **HB 106** was passed be reconsidered and that said motion be laid on the table. Agreed.

HB 124 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Milled moved the Previous Question on **HB 124.** Agreed.

On the roll call the vote was yeas 29—Blue, Bonn, Brizendine, Buckman, Derickson, Duffy, Duncan, Engle, Fuqua, Gardner, Gay, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, McCann, McGinty, Miller, Newberry, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

HB 124 was passed and the title agreed to.

Senator Miller moved that the vote by which **HB 124** was passed be reconsidered and that said motion be laid on the table.

HB 44 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Buckman moved the Previous Question on **HB 44.** Agreed.

On the roll call the vote was yeas 30—Billington, Bonn, Brizendine, Buckman, Derickson, Duffy, Duncan, Engle, Fuqua, Gardner, Gay, D. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Miller, Mobley, Newberry, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

HB 44 was passed and the title agreed to.

Senator Buckman moved that the vote by which **HB 44** was passed be reconsidered and that said motion be laid on the table. Agreed.

Announcements

The President announced the Rules Committee Members as follows:

Senator Casper Gardner, Chairman

Senator James C. Ware

Senator Martin J. Duffy

Senator Alvin Kidwell

Senator Wendell Van Hoose

Senator John W. Swope
Senator Paul L. Fuqua
Senator J. Murray Blue
Senator Marvin Edwards
Senator Tom Garrett
Senator Ed J. Kelly
Senator Owen Billington
Senator James W. Newberry

Senator Donald Johnson moved that the Rules be suspended for the purpose of introducing a bill. Agreed.

Introduction of Bill

SB 218, by Senator Donald Johnson: AN ACT relating to real estate brokers and salesmen.

Senator Gardner moved that the Senate adjourn until 1:30 P.M., Wednesday, March 4. Agreed.

WEDNESDAY, MARCH 4, 1964

FORTY-SIXTH LEGISLATIVE DAY

The Senate was called to order by the President.

Prayer by the Reverend H. Ward Jackson, Rector of the Episcopal Church of the Ascension, Frankfort.

The roll was called. All present except Senator Kiser, who was granted leave of absence on motion of Senator McCann.

Reading of the Journal for March 3 dispensed with and the same approved on motion of Senator McCann.

House Message

Announcing passage of **HB 99, HB 111, HB 116, HB 119, HB 129, HB 141, HB 146, HB 152, HB 189, HB 208, HB 211, HB 218, HB 219, HB 223, HB 224, HB 226, HB 235, HB 236, HB 237, HB 260, HB 263, HB 270, HB 271, HB 274, HB 276, HB 284, HB 285, HB 288, HB 303, SB 20, SB 37, SB 51, SB 121, SB 18.**

Communication

The Clerk read the following communication from the Citizens Association for Planning:

March 3, 1964

Kentucky Senate
Frankfort, Kentucky

Gentlemen:

The Citizens Association for Planning is a citizens organization of Central Kentucky existing for the purpose of promoting the healthy growth of our Commonwealth through planned and orderly development. Part of our program includes the recognition each year of those individuals or groups who, in our opinion, have been most effective in support of this goal. We take great pleasure in presenting one of the three C.A.P. Community Service awards for 1964 to the Legislature of the Commonwealth of Kentucky for its past record of leadership and support in Kentucky's statewide planning effort. The Kentucky Legislature during recent years has been one of the most outstanding in the nation in its initiation of legislation for more effective planning, and has demonstrated an awareness of the contribution that sound, responsible planning can make toward the betterment of our state.

Specifically, the following actions are commended:

1. Passing, in 1962, twelve amendments to the existing planning legislation, enabling local communities to better cope with these existing and future planning problems.

2. Setting up, in 1962, a two year program to study and recommend new and strengthened statewide planning legislation.

3. Initiating and supporting one of the finest systems of State Parks in the nation.

4. Revealing and preserving the scenic beauty of Kentucky by enacting legislation to control the appearance of automobile grave yards operated along Kentucky highways, and by prohibiting billboard advertising adjacent to the Interstate highways.

We earnestly believe we speak for a great majority of Kentuckians in expressing gratitude for this splendid record.

Homer A. Hail
President

HAH:u

Report on Enrolled Bills

Committee on Enrollment reported that **HB 20, HB 217** had been examined and found correctly enrolled. **HB 20, HB 217** read at length, compared, and signed in open session by the President. Ordered delivered to the House.

Motions

Senator Donald Johnson moved that any awards, or certificates of recognition being offered for presentation to the Senate by groups, or individuals interested in legislation presently pending before the Assembly, be postponed until the final adjournment of the session. Said motion lost on a standing vote of four to eight.

Senator Engle moved, seconded by Senator Layne, that **HB 125,** reported by the Ways and Means Committee on March 3 with the expression of opinion that same should not pass, be taken from the Clerk's Desk and read into the Calendar with the report of the Committee to the contrary not withstanding. Agreed to by a standing vote of twenty-four to zero.

HB 125 read at length for the first time and ordered placed in the Calendar.

HB 125, AN ACT relating to funeral and burial trust funds.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. As used in this Act, unless the context requires otherwise:

(1) "Community mausoleum" means a mausoleum, vault, crypt, columbarium or other structure constructed for public use, for the purpose of permanently containing the dead bodies or cremated remains of ten or more human beings who are members of more than one family.

(2) "Crypt" means any crypt, niche or space within a community mausoleum in which the remains of deceased persons are kept.

(3) "Department" means the Department of Banking and Securities.

(4) "Depository" means a bank, trust company or building and loan company, or investment company, authorized by law to do business in this state.

Section 2. (1) Eighty percent of all payments of money made to any person, partnership, association or corporation upon any agreement or contract, or any series or combination of agreements or contract, which has for a purpose the furnishing or performance of funeral services, or the furnishing or delivery of personal property, merchandise, or services of any nature in connection with the final disposition or the commemorating the memory of a dead human body, for future use at a time determinable by the death of the person whose body is to be disposed of or commemorated, are held to be trust funds. The person, partnership, association or corporation receiving the payments is declared to be a trustee thereof and shall deposit eighty percent of all payments in a trust account with a depository. This Section 2 does not apply to cemetery lots.

(2) Eighty percent of all payments made under the agreement, contract or plan are and shall remain trust funds with the depository until the death of the person for whose service the funds were paid and until the delivery of all merchandise and full performance of all services called for by the agreement, contract or plan.

(3) The funds shall not be paid by the depository until a certified statement is furnished to the depository setting forth that all of the terms and conditions of the agreement have been fully performed by the person, association, partnership, firm or corporation. Any balance remaining in the fund after payment for the merchandise and services as set forth in the agreement, contract or plan shall be paid to the estate of the beneficiary of the agreement, contract or plan. However, the depository shall pay the trustee for any item or items of merchandise or services specifically listed in the agreement or contract when the same has been delivered or performed. The

depository shall pay the trustee the specific amount charged the purchaser for such item of merchandise or services in the agreement or contract that has been delivered or performed.

(4) Subsection (1) of this section does not apply to contracts for funeral service or merchandise sold as burial insurance policies which are regulated by the Department of Insurance of this state.

Section 3. Any cemetery required to establish a perpetual care and maintenance fund under the provisions of this Act or of previous acts is declared to be the trustee thereof and shall deposit in an irrevocable trust fund, established for that purpose with a depository, an amount not less than twenty percent of the gross selling price of each lot or grave space sold. If time payments are involved, all money received as payment on each contract shall be deposited with the depository by the trustee until a sum equal to twenty percent of the total contract price has been deposited. The income of this perpetual care and maintenance fund may be used only for the general care and maintenance of the particular cemetery for which it was established.

Section 4. (1) Any person, firm or corporation engaged in the business of ownership, maintenance or operation of a community mausoleum shall be known as the trustee and shall cause to be established in a depository, an irrevocable trust fund to be known as a community mausoleum maintenance fund. The income of this fund may be used only for insurance and the general care and maintenance of the particular community mausoleum for which it was established. The community mausoleum maintenance fund shall be separate and distinct from the funds of the cemetery in which the community mausoleum is established, if any.

(2) Any person, firm or corporation required to establish a community mausoleum maintenance fund under subsection (1) of this section, shall place the following amounts into this fund:

(a) For a community mausoleum containing less than 100 crypts, twenty percent of the gross selling price of each crypt.

(b) For a community mausoleum containing more than 100 crypts, ten percent of the gross selling price of each crypt.

(3) In no case shall the deposits required in subsection (2) of this section be less than $25.00 per crypt, except this minimum shall not apply to a niche in which the cremated remains of a human being are kept. If time payments are involved, all money received as payment on each contract shall be deposited by the trustee in the depository until the required sum has been deposited.

(4) Unconstructed community mausoleums, wherein persons, firms or corporations seek to sell crypts for use when the mausoleum is completed, are required to place all money received as payment on

each contract with the depository heretofore mentioned, until this sum equals seventy-five percent of the total contract price, and shall remain with the depository as a trust fund, until the entire mausoleum is completed and ready for use. Those funds that are in excess of those required to satisfy the endowment funds mentioned in subsection (2) of this section, may then be released by the depository to the trustees upon presentation of a certified statement setting forth that the mausoleum is fully completed and ready for use.

(5) Contracts for the sale of crypts, for use when the mausoleum is completed shall state a completion date which shall not be more than twenty-four months after the date of the contract. If not completed by this date, the contract shall be declared void and the purchaser shall be refunded all money he has paid on the contract.

Section 5. In lieu of the provisions of subsection (4) of Section 4, any person, firm or corporation proposing to build a community mausoleum may post a performance bond with the depository. The performance bond shall guarantee the completion of any proposed community mausoleum in which any person, firm or corporation seeks to sell crypts by contract for use when the mausoleum is completed. The performance bond shall be in an amount at least equal to the actual construction cost of the proposed community mausoleum. The depository shall release the performance bond upon certification by the community mausoleum owner or owners that construction has been completed or, in the event construction is not completed, upon the refunding of all money received by the owner or owners of the community mausoleum for crypts in the proposed mausoleum. However, the depository shall not release the performance bond until the same has been in the possession of the depository for a period of thirty-six months.

Section 6. All trust funds mentioned in this Act shall be deposited in the name of the trustee, as trustee, within thirty days after receipt thereof, with a depository and shall be held in trust, subject to the provisions of this Act. The trustee at the time of making deposit shall furnish to the depository the name of each payor, and the amount of payment on each account for which the deposit is being made, excepting that deposits made to funds established in Sections 3 and 4(2) of this Act do not require the names of each payor.

Section 7. To insure the payment of the trust funds for their intended purpose set forth in Section 3 and 4 of this Act, upon the certification by the trustee to the depository of actual expenses incurred in the general care and maintenance of the cemetery or community mausoleum, the depository shall pay annually from the income of the trust fund to the trustee the amount so certified, provided the income is sufficient to make such payment. Each contract or agreement executed pursuant to Section 2, each contract executed for the sale of a lot or grave pursuant to Section 3, and each contract executed for the sale of a crypt pursuant to Section 4, shall include a reasonable depository service charge fixed by the Department, but which shall not exceed $5.00. The depository shall retain this service charge as payment for the depository services provided for in this Act.

Section 8. No person, firm, partnership, association or corporation may accept trust funds without first securing from the department a license to accept and hold the funds. Application for a license shall be in writing, signed by the applicant and duly verified on forms furnished by the department. Each application shall contain at least the following:

(1) The full name and address (both resident and place of business) of the applicant, and every member, officer and director thereof if the applicant is a firm, partnership, association or corporation. Any license issued pursuant to the application shall be valid only at the address stated in the application for the applicant or at a new address approved by the department.

(2) Applications for a license shall be accompanied by a fidelity bond executed by the applicant and a surety company authorized to do business in this state in such amount as the department requires.

Upon receipt of the application and bond, the department shall issue a license unless they determine that the applicant has made false statements or representations in the application, or is insolvent, or has conducted, or is about to conduct his business in a fraudulent manner, or is not duly authorized to transact business in this state.

Section 9. The licensee shall keep accurate accounts, books and records in this state of all transactions, copies of all agreements, dates and amounts of payments made and accepted thereon, the names and addresses of the contracting parties, the persons for whose benefit funds are accepted, and the name of the depositories of the funds. The licensee shall make reports to the department annually or at such other time as the department may require, on forms furnished by the department. Every application shall be accompanied by a fee of twenty-five dollars and every report shall be accompanied by a fee of two dollars. The licensee shall make all books and records pertaining to the trust funds available to the department for examination. The department may at any time investigate the books, records, and accounts of the licensee with respect to its trust funds and for that purpose may require the attendance of and examine under oath, all persons whose testimony they may require.

Section 10. If prior to the final payment under any purchase agreement or agreements mentioned in this Act, the purchaser shall default for a period of ninety days or longer in making payment on account thereof, the seller shall be entitled to retain as liquidated damages and shall be paid by the depository an amount equal to twenty percent of the contract price and any balance so paid shall be refunded to the purchaser.

Section 11. At such time as the income from the trust funds created pursuant to Section 4 equals one hundred percent of the then reconstruction cost of the community mausoleum, the depository may refund any amount in excess of one hundred percent of the then reconstruction cost to the trustee for such improvements of the community mausoleum as the trustee may direct.

Section 12. The department shall enforce the provisions of this Act and has the power to make investigations, subpoena witnesses, require audits and reports and conduct hearings as to violations of any provision, and to establish such rules and regulations as are necessary to carry out the provisions of this Act.

Section 13. Any person willfully violating the provisions of this Act shall be fined not less than five hundred nor more than one thousand dollars.

Section 14. The provisions of this Act shall be separable, and in case any provision or part thereof shall be held to be unconstitutional or invalid for any reason, the same shall not be held to affect any other paragraph, provision or part of this Act.

Section 15. All acts or parts of acts conflicting with this section are repealed.

Introduction of Bills

SB 219, by Senator Gay: AN ACT relating to vehicle operating expenses of state employes.

SB 220, by Senator Kinkead: AN ACT relating to sheriffs in the payment, collection and refund of taxes.

SB 221, by Senator Kinkead: AN ACT relating to advancements to county sheriffs for expenses.

SB 222, by Senator Kelly: AN ACT relating to the Department of Libraries.

SB 223, by Senators McCann, Brizendine, Brand, Turner, Mobley, Gay, Spence and Fairis Johnson: AN ACT proposing an amendment to Section 226 of the Constitution of Kentucky relating to lotteries and gift enterprises.

SB 224, by Senators Palmer, Newberry, Blue, Derickson, Fuqua, Kidwell, Brizendine, Mann, Nichols and Raybourne: AN ACT relating to school terms.

Report of Committee

Committee on Rules reported **SB 115, SB 144, HB 75, HB 252, HB 220, SB 205, SB 204, SB 213, SB 175, SB 176, SB 174, SB 40,** with Committee Amendment, **SB 170,** with the expression of opinion that same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 115, AN ACT relating to contract actions against the Commonwealth of Kentucky.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. It is declared to be the public policy of this Commonwealth that when the Commonwealth or any department or agency of the Commonwealth enters into or becomes a party to a lawful authorized contract with any person, firm or corporation, the Commonwealth thereby divests itself of the attributes of a sovereignty and invest itself with the attributes of a private person with respect to its contractual relationship and in regard to matters arising under such contracts, and insofar as the obligations created by such contracts are mutual obligations between the contracting parties, mutual remedies to enforce such obligations shall be made available to the contracting parties.

Section 2. In the event any person, firm or corporation who or which has entered into a contract with the Commonwealth of Kentucky, or any of its departments or agencies, claims a breach of said contract or makes a claim under said contract which is disputed, said person, firm or corporation may bring an action against the Commonwealth in the Franklin Circuit Court for the purpose of securing appropriate legal or equitable relief. Governmental immunity shall not be a defense. If recovery is had the amount shall be limited to:

(a) In a suit on the contract, the amount provided in the contract for the materials or services for which payment is demanded;

(b) In a suit for breach of contract, a sum equal to ten percent (10%) of the total amount of the contract between the Commonwealth and the plaintiff;

Section 3. No person, firm or corporation shall be permitted more than one money recovery upon, or for the breach of, a particular contract with the Commonwealth. A judgment on the merits awarding or denying recovery in a previous suit by the same party, or his privies, against the Commonwealth on or for breach of the same contract shall be a bar to any other claim for damages or monetary recovery arising out of the same contract.

Section 4. Money awards are to be paid upon warrant drawn by the Commissioner of Finance on the State Treasurer from such funds of the Commonwealth as are then available or shall become available.

Section 5. Any cause of action shall be commenced within five years after the cause of action first accrues; provided, however, any cause of action growing or arising out of a contract entered into not more than five years prior to the effective date of this act, if not pending at such effective date, shall be commenced within one year thereafter.

Section 6. "Commonwealth" shall mean any agency, department, or political subdivision of the state government.

Section 7. Whereas the ends of justice require the speedy reconciliation of suits of the manner specified in this act and numerous suits on this subject presently having been filed in circuit court an emergency is declared to exist and this act shall become effective upon its passage and the signature of the Governor.

SB 144, AN ACT relating to motor vehicle license taxes.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 186.270 is amended to read:

Cities may, by ordinance, impose license taxes on motor trucks, truck-tractors, semi-trailers and trailers and require that registration plates issued as evidence of the licenses be affixed to the vehicle in some conspicuous place as prescribed by ordinance. *No new or increased license tax on motor trucks, truck-tractors, semi-trailers and trailers shall be effective unless the owners thereof or licensees are mailed notice of the new tax at least ten days prior to the effective date of the tax.*

HB 75, AN ACT to regulate the business of debt management.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. As used in this Act, unless the contract requires otherwise:

(1) "Budget Service Company" includes any person doing business as a budget counselling, credit counselling, debt management, or debt pooling service, or holding himself out by words of similar import, as providing services to debtors in the management of their debts, and contracting with the debtor for a fee to receive from the debtor and disburse to his creditors any money or anything of value.

(2) "Commissioner" means the Commissioner of the Department of Banking and Securities.

(3) "Contract debtor" means a debtor who has entered into a contract with a licensee.

(4) "Department" means the Department of Banking and Securities.

(5) "License" means a license issued under the provisions of this Act.

(6) "Licensee" means any person to whom a license has been issued pursuant to the provisions of this Act.

(7) "Person" includes individuals, partnerships, associations and corporations.

Section 2. The provisions of this Act do not apply to the following when engaged in the regular course of their businesses and professions:

(1) Attorneys at law.

(2) Banks, fiduciaries, financing and lending institutions as duly authorized and admitted to transact business in this Commonwealth and performing credit and financial adjusting service in the regular course of their principal business.

(3) Title insurers and abstract companies, while doing an escrow business.

(4) Agent of licensees under this Act.

(5) Judicial officers or others acting pursuant to court orders.

(6) Nonprofit religious, fraternal or cooperative organizations offering debt management service exclusively for their members.

(7) Employers for their employes.

Section 3. It is unlawful for any person to operate a "Budget Service Company" without first obtaining a license from the commissioner. Each office of each company shall have a separate license.

Section 4. Every person desiring to obtain a license to do business as a Budget Service Company shall file with the commissioner an application in writing, under oath, in the form prescribed by the commissioner. Each application shall set forth together with any further information which the commissioner may require, the name under which the business is to be conducted, the address of each office of the business, names and addresses of all officers and directors, if an association or a corporation, and if a partnership, the partnership name and the names and addresses of all partners, and a financial statement of the company. At the time of filing an application the applicant shall pay to the department a license fee of $50.00 for each office and an investigation fee of $50.00.

Section 5. The license issued under this Act expires on December 31 following its issuance unless sooner surrendered, revoked or suspended, but may be renewed as provided in this Act.

Section 6. (1) Each application for a license shall be accompanied by a bond to the people of the Commonwealth in the sum of $5000, conditioned upon the faithful accounting of all moneys collected upon accounts entrusted to the person doing business as a Budget Service Company, and their employes and agents. The bonds shall be approved by the commissioner and filed in the office of the department. No person shall do business as a Budget Service Company until a good and sufficient bond is filed in accordance with this Act.

(2) Each licensee shall furnish with his application a blank copy of the contract he intends to use between himself and the debtor and shall notify the commissioner of all changes and amendments thereto.

(3) The application shall be accompanied by an appointment of the commissioner as agent of the applicant and his sureties for service of process in this state. Service upon the commissioner shall be sufficient service upon any licensee under this Act. Upon receipt of any process in an action against any licensee, the commissioner shall promptly mail copies thereof by certified mail to the licensee at the last address shown by the records of the department and to his sureties at their last known address. Sufficient copies of the process shall be furnished the commissioner to comply with this provision.

Section 7. Upon the filing of the application and the payment of the fees and the approval of the bond, the department shall investigate the facts, and if it finds that the financial responsibility, experience, character and general fitness of the applicant and of the members thereof, if the applicant is a partnership or an association, and of the officers and director thereof, if the applicant is a corporation, are such as to command the confidence of the community to warrant belief that the business will be operated fairly and honestly within the purposes of this Act and that the applicant or the applicant and the members thereof or the applicant and the officers and directors thereof have not been convicted of any crime involving moral turpitude, and have not had a record of having defaulted in the payment of money collected for others, including the discharge of debts through bankruptcy proceedings, the commissioner shall issue to the applicant a license to do business as a Budget Service Company in accordance with the provisions of this Act. The commissioner may require as part of the application a credit report and other information.

Section 8. (1) The commissioner may deny, revoke, or suspend any license issued or applied for under this Act for the following causes:

(a) Conviction of a felony or a misdemeanor involving moral turpitude.

(b) For violating any of the provisions of this Act.

(c) For fraud or deceit in procuring the issuance of a license under this Act.

(d) For indulging in a continuous course of unfair conduct.

(e) For insolvency, filing in bankruptcy, receivership, or assigning for the benefit of creditors by any licensee or applicant for a license under this Act.

(2) The denial, revocation or suspension shall only be made upon specific charges in writing, under oath, made by or filed with the commissioner, whereupon a hearing shall be had as to the reasons for any denial, revocation or suspension and a certified copy of the charges shall be served on the licensee or applicant for license not less than ten days prior to the hearing. The decision shall be reviewable by the circuit court on certiorari.

Section 9. When a license has been issued, the license shall be prominently displayed by the licensee in his place of business. No license shall be transferable or assignable.

Section 10. Each licensee on or before December 1 may make application to the commissioner for renewal of his license. The application shall be on the form prescribed by the commissioner and shall be accompanied by a fee of $50.00, together with a bond as in the case of an original application. A separate application shall be made for each office.

Section 11. Any person lawfully doing business in this state as a Budget Service Company for at least two years immediately prior to the effective date of this Act shall be entitled to receive a license within the provisions of this Act by filing an application, furnishing a bond and paying the annual fee as herein specified within 90 days after the effective date of this Act.

Section 12. Every licensee:

(1) Shall deliver to every contract debtor at the time the contract is made, a copy of the contract, showing the date executed, the rate of charge, the amount of debts claimed by the contract debtor to be due to his creditors, and in addition, within five days deliver

to the contract debtor a list containing the names and addresses of the creditors and the correct amount due to each of them.

(2) Shall take no fee until a debt program agreed upon by the licensee and the contract debtor has been arranged. In no event shall more than the pro-rated service charge for one month be payable by the contract debtor unless a plan of payment of his obligations shall have been accepted by at least two-thirds of his creditors by dollar value to an extent satisfactory to the contract debtor and approved by him in writing. Nothing in this paragraph or this Act shall be construed as mandatorily requiring a creditor to accept the proposed plan of payment unless he agrees to do so in writing.

(3) Shall give to the contract debtor a dated receipt for each payment, at the time of payment.

(4) Shall notify immediately the contract debtor if any creditor refuses to accept or agree to the debt plan and the liquidation of the indebtedness of the contract debtor.

(5) Shall upon cancellation by the contract debtor of the contract, notify immediately in writing all the creditors.

(6) Shall furnish to a contract debtor a statement showing the total amount received and the total disbursements to each creditor which statement shall be furnished within seven days by the licensee to the contract debtor after a request has been made therefore.

(7) Shall prepare and retain in the file of each contract debtor a written analysis of the contract debtor's income and expenses to substantiate that the plan of payment is feasible and practical.

(8) Shall maintain in his place such books, accounts and records as will enable the commissioner to determine whether such licensee is complying with the sections of this Act. The books, accounts and records, shall be preserved for at least five years after making the final entry on any contract recorded therein, and shall be available for inspection by the commissioner at any time.

(9) Shall not receive a fee for his services in excess of the following amounts.

(a) Ten percent of the total amount of the contract debtor's debts listed by the contract debtor with the licensee, when the plan of payment is for a period of twelve months or less.

(b) Twelve percent of the total amount of the contract debtor's debts listed by the contract debtor with the licensee when the plan of payment is for a period of more than twelve months.

The above fees or charges shall be pro-rated monthly over the entire term of the contract. In the event of pre-payment of the listed debts or cancellation by the debtor upon thirty days written notice to the licensee, or in the event of cancellation by the licensee after willful default by the contract debtor for a period of thirty days, the contract debtor shall be entitled to a credit of the agreed service charges of fifty percent of the charges due for the unexpired term of the contract at the time of such prepayment or cancellation and the balance of the charge shall be then due and payable to the licensee.

(10) Shall distribute all monies to the creditors of the contract debtor in accordance with the terms of the debt program and in accordance with the licensee's arrangements with the creditors but in any event within thirty days after the payment of the money by the contract debtor to the licensee.

(11) Shall not make, or cause to be made, any false, misleading or deceptive statements, or representation (including advertising) with regard to the licensee's fee of the nature of the services to be provided.

Section 13. Upon affidavit of any person or other information that the licensee has failed to comply with the provisions of this Act, the commissioner has the authority to examine the books, records and accounts, and to seize and impound the records as evidence of a violation of this Act.

Section 14. (1) Any person violating any provision of this Act shall be fined not more than $500 or imprisoned for not more than six months, or both for each offense. The violation of each provision of this Act is a separate offense and is punishable accordingly.

(2) A person convicted of a violation of any section of this Act shall be prohibited from reorganizing under another name.

HB 252, AN ACT relating to illegitimate children.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

A new section of KRS Chapter 208 is created to read as follows:

Section 1. (1) If a woman, after the birth of an illegitimate child, should give birth to one or more illegitimate children, the Department of Child Welfare or Department of Economic Security may institute action to terminate parental control of the minor children of that person. The fact of such multiple illegitimate births shall be prima facie evidence of the woman's unfitness to have the custody and control of said children, and if not rebutted may be considered sufficient evidence upon which to base a judgment terminating parental custody and control of such children.

(2) Action under this section shall be brought by the county attorney at the request of the Department of Child Welfare or Department of Economic Security.

HB 220, AN ACT relating to county fire protection.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. (1) The fiscal court of any county, upon petition of seventy-five freeholders of the proposed district, may establish a county fire protection district within the county for the purpose of protecting the property and citizens of the county who reside outside of any municipality wherein a fire department is maintained. The petition shall describe the territory intended to be included in the district, and shall set out the reasons a county fire protection district is needed.

(2) When the petition is filed the court shall give notice of the filing by publication as provided in KRS Chapter 424. Within thirty days after the publication or notice, any resident of the proposed district may file objections, and the court shall set the case for hearing within ten days. If the court finds that the establishment of such district is reasonably necessary for the public health, convenience, fire protection and comfort of the residents, it shall make an order establishing the district, and designating it by name or number.

(3) If the court does not find that the district is necessary, it shall dismiss the petition. Either party may thereupon appeal to the circuit court for a retrial, and from the circuit court to the Court of Appeals as provided by law.

(4) The county fire protection district shall possess all the rights and authority provided by KRS Chapter 75.

SB 205, AN ACT relating to motor carriers.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 281.810 is amended to read:

(1) On or before January 1 of each year and as a condition precedent to the use of the highways, every motor carrier operating motor vehicles primarily engaged in the transportation of property for hire or operated under a U-Drive-It permit shall pay to the Department of Motor Transportation for the privilege of using the highways an annual excise tax upon each motor vehicle so used based on the declared gross weight of the motor vehicle as set out in KRS 186.030, in addition to the basic registration fee set out in KRS 186.050, and in lieu of the taxes imposed by KRS 186.055 as follows:

Gross Weight	Fee
0- 5000	$ 22.00
5001- 8000	30.00
8001-10000	48.00
10001-12000	52.00
12001-14000	57.00
14001-16000	62.00
16001-18000	70.00
18001-21000	101.00
21001-24000	132.00
24001-27000	161.00
27001-30000	185.00
30001-33000	208.00
33001-36000	235.00
36001-39000	272.00
39001-59640	325.00
59641-73280	500.00

(2) The tax shall be increased fifty percent on each motor vehicle not equipped wholly with pneumatic tires.

(3) On or before January 1 of each year and as a condition precedent to the use of the highways, every motor carrier engaged in the driveway business shall pay an annual license fee of two hundred fifty dollars which shall be in lieu of the weight tax set out in subsection (1) of this section.

(4) Any motor carrier subject to a tax or fee set forth in this Act, may upon proof presented to the Commissioner of the Department of Motor Transportation that his motor vehicle is used during a portion of the year only pay a percentage of the tax based upon that portion of the year during which his motor vehicle is used for business.

(5) [(4)] The department may, by regulation, require that the weight tags issued as evidence of the payment of the annual excise tax imposed by subsections (1) and (2) of this section be issued by the county court clerks. In the event such regulations are adopted by the department, (a) the tags shall be issued to the owner of the vehicle; (b) the provisions of subsection (3) of KRS 281.825 shall not be applicable, and whenever such vehicle is destroyed or whenever the ownership of a vehicle for which the weight fees are paid under KRS 281.810 is changed and the use of such vehicle is changed so that it is no longer liable for the payment of such weight tax, a refund of the portion of the tax paid allocable to the remainder of the unexpired period for which the tax was paid may be had by the owner of the vehicle applying to the Department of Revenue and submitting such evidence as the Department of Revenue may require, together

with the weight plate from the vehicle. The Department of Revenue may approve same for refund, whereupon the Department of Finance shall draw a warrant upon the State Treasury in favor of the owner of the vehicle and charge the amount to the State Road Fund; and (c) the department may also provide that the weight tag will not be required to be displayed on the vehicle before March 1 of each year. In all other respects, the clerk shall remit funds and issue the weight plates furnished by the department in the same manner and for the same clerk's fees as provided for the issuance of weight plates for commercial vehicles in KRS Chapter 186.

SB 204, AN ACT relating to fire protection districts.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 75.030 is amended to read:

(1) Upon creation of a fire protection district as provided in KRS 75.010, *the affairs of the district shall be conducted by the Board of Trustees consisting of seven members, four to be elected by the members of the district as hereinafter set out and three to be appointed by the county judge. Two members of the Board of Trustees shall be elected by the members of the Volunteer Fire Fighters of the district and shall be members thereof. Two members of the Board of Trustees shall be elected by the property owners in the district who are not active volunteer fire fighters and shall be such property owners. The county judge of the county in which the greater part of the district is located shall appoint three members of the Board of Trustees. At the first election held after the district is formed, one volunteer fire fighter shall be elected to serve on the Board of Trustees for a period of one year and one for a period of three years and one non-volunteer fire fighter property owner shall be elected to serve on the Board of Trustees for a period of two years and one for a period of four years. On the expiration of the respective terms the successor to each shall have the same qualifications as his predecessor and shall be elected for a term of four years. In the event of a vacancy in the term of an elected trustee, the remaining elected trustees shall elect a trustee to fill the vacancy for the balance of the term. The original appointed members of the Board of Trustees shall be appointed for terms of one, two, and three years respectively. On the expiration of the respective terms the successors to each shall be appointed for a term of three years. In the event of a vacancy in the term of an appointed trustee, the county judge shall appoint a trustee for the remainder of the term.* [it shall be the duty of the county judge of the county in which the greater part of the district is located to appoint three trustees, who shall constitute the Board of Trustees of the fire protection district. The members shall be appointed for terms of one, two and three years respectively. On

the expiration of the respective terms, the successors to each shall be appointed for a term of three years. In the event of a vacancy in any term, and there are two remaining trustees, the remaining trustees shall elect a trustee to fill such vacancy. If there are less than two trustees remaining the county judge shall fill such vacancies.]

(2) Such trustees shall elect from their number a chairman, a secretary and a treasurer, the latter of whom shall give bond in such amount as shall be determined by the county judge of the county in which the greater part of the fire protection district is located, conditioned upon the faithful discharge of the duties of his office, and the faithful accounting for all funds which may come into his possession as such treasurer. The premiums on such bonds shall be paid out of the funds of the district.

SB 213, AN ACT relating to the establishment of regional community mental health services programs and providing state grants-in-aid therefor.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. The Commissioner of Mental Health is hereby authorized to make grants to assist any combination of cities and counties, or non-profit corporations in the establishment and operation of regional community mental health programs to provide at least four of the following six services:

(1) collaborative and cooperative services with public health and other groups for programs of prevention of mental illness, mental retardation, and other psychiatric disabilities;

(2) informational and educational services to the general public, and lay and professional groups;

(3) consultative services to schools, courts and health and welfare agencies, both public and private;

(4) in-patient treatment services;

(5) out-patient diagnostic and treatment services;

(6) rehabilitative services for patients suffering from mental or emotional disorders, mental retardation or other phychiatric conditions, particularly those who have received prior treatment in an in-patient facility.

Section 2. Any combination of cities or counties of over 50,000 population, and upon the consent of the Commissioner of Mental Health, any combination of cities or counties with less than 50,000 population, may establish a regional community mental health services program and staff same with persons specially trained in psychiatry and related fields. Such programs and clinics may be administered by a community mental health board established pursuant to this Act, or by a non-profit corporation.

Section 3. Any community mental health board or non-profit corporation administering a mental health services program may apply for the assistance provided by this Act by submitting annually to the Commissioner of Mental Health its plan and budget for the next fiscal year together with the recommendation of the community mental health board thereon. No program shall be eligible for a grant hereunder unless its plan and budget have been approved by the Commissioner of Mental Health.

Section 4. At the beginning of each fiscal year, the Commissioner of Mental Health shall allocate available funds to the mental health boards or non-profit organizations for disbursement during the fiscal year in accordance with such approved plans and budgets. The Commissioner shall, from time to time during the fiscal year, review the budgets and expenditures of the various programs and if funds are not needed for a program to which they were allocated, he may, after reasonable notice and opportunity for hearing, withdraw such funds as are unencumbered and reallocate them to other programs. He may withdraw funds from any program which is not being administered in accordance with its approved plan and budget.

Section 5. Except as hereinafter provided, grants for any program shall not exceed fifty percent of the total expenditures for (1) salaries, (2) contract facilities and services, (3) operation, maintenance and service costs, (4) per diem and travel expenses for members of the community mental health boards, and (5) other expenditures specifically approved by the Commissioner of Mental Health. No grants shall be made for capital expenditures. Grants may be made for expenditures for mental health services whether provided by operation of a local facility or through contract with other public or private agencies.

Section 6. Every combination of cities and counties establishing a regional community mental health services program shall, before it comes within the provisions of this Act, establish a community mental health board consisting of at least nine members. When a non-profit corporation is the administrator of such a program not established by a combination of either cities or counties, such corporation shall select a community mental health board which shall be representative of the groups herein enumerated, but the number of members need not be nine. When any combination of cities and counties establishes a regional community mental health services program, the chief executive officer of each participating city or county shall appoint two members to a selecting committee which shall select the members of the board. Membership of the community mental health boards shall be representative of local health departments, medical societies, county welfare boards, hospital boards, lay associations concerned with mental health as well as labor, business and civic groups and the general public.

Section 7. Except for boards appointed by non-profit corporations, the term of office of each member of the community mental health board shall be for four years measured from the first day of the year of appointment except that of the members first appointed, three shall be appointed for a term of two years, three for a term of three years, and three for a term of four years. Vacancies shall be filled for the unexpired term in the same manner as original appointments. Any member of a board may be removed by the appointing authority for neglect of duty, misconduct or malfeasance in office, after being given a written statement of charges and an opportunity to be heard thereon.

Section 8. Subject to the provisions of this section and the rules and regulations of the Commissioner of Mental Health, each community mental health board shall,

(1) Review and evaluate mental health service provided pursuant to this Act, and report thereon to the Commissioner of Mental Health, the administrator of the program, and, when indicated, the public, together with recommendations for additional services and facilities.

(2) Recruit and promote local financial support for the program from private sources such as community chests, business, industrial and private foundations, voluntary agencies and other lawful sources, and promote public support for municipal and county appropriations.

(3) Promote, arrange and implement working agreements with other social service agencies, both public and private, and with other educational and judicial agencies.

(4) Advise the administrator of the community mental health program on the adoption and implementation of policies to stimulate effective community relations.

(5) Review the annual plan and budget and make recommendations thereon; and

(6) When so determined by the authority establishing the program, act as the administrator of the program.

Section 9. In addition to the powers and duties already conferred upon him by the law, the Commissioner of Mental Health shall:

(1) Promulgate rules and regulations governing eligibility of community mental health programs to receive state grants, prescribing standards for qualification of personnel and quality of professional service and for in-service training and educational leave programs for

personnel, governing eligibility for service so that no person will be denied service on the basis of race, color or creed, or inability to pay, providing for establishment of fee schedules which shall be based upon ability to pay, regulating fees for diagnostic services which services may be provided for anyone without regard to his financial status when referred by the courts, schools, or health and welfare agencies whether public or private, and such other rules and regulations as he deems necessary to carry out the purposes of this Act;

(2) Review and evaluate local programs and the performance of administrative and psychiatric personnel and make recommendations thereon to community mental health boards and program administrators;

(3) Provide consultative staff service to communities to assist in ascertaining local needs and in planning and establishing community mental health programs; and

(4) Employ qualified personnel, including a director of community mental health services, to implement this Act.

Section 10. In order to provide the necessary funds to establish and operate a mental health services program and to establish and maintain a clinic, any city or county coming under the provisions of this Act may contribute its proportionate share of the cost of the program, to be apportioned on a population basis, by direct appropriation from its general tax fund or by allocating thereof the proceeds of a special tax for the support of the program. The cost shall be deemed for all purposes a proper county expense.

SB 175, AN ACT relating to police courts in cities of the third class.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 26.170 is amended to read:

The police court in cities of the third class shall have one police judge. The judge shall enter upon the discharge of the duties of his office on the first Monday in January next after his election. He shall receive an annual salary of *$6,000.00 unless the city legislative body fix such salary by ordinance in which event the salary shall not be less than $4,200.00 per annum. The salary will be paid in equal bimonthly installments out of the city treasury, and he shall receive no other compensation except the fees allowed to judges for holding examining trials. He shall have each year, a vacation of one month.* [at least six hundred dollars, payable monthly out of the city treasury. It may be increased by ordinance, but not during his term of office.] No person shall be eligible to be police judge unless, at the time of his election, he is at least twenty-four years of age, is a qualified voter in the city, and has been an actual resident of the city for at least two years next preceding his election.

Section 2. KRS 26.250 is amended to read:

In the absence or disability of the regular police judge in a city of the third class, *the regular judge* [mayor] shall appoint a judge pro tem, who shall have the qualifications of a regular police judge. When presiding, the judge pro tem shall have the same power as the regular judge.

SB 176, AN ACT relating to the selection of juries in police courts of third class cities.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

A new section of the Kentucky Revised Statutes is created to read as follows:

(1) In any county containing a city of the third class, the judge of the police court or the judge assisted by three commissioners as per KRS 29.055 (1) shall each year select a list of not less than three hundred qualified citizens and residents of the city and county the names of which can be obtained from the tax records, voter registration lists or either of said sources for service as police court jurors.

(2) The judge or his commissioners shall place the name and address of each person so selected on a small piece of paper, each slip being as near the same size and appearance as practicable. Each slip shall then be deposited in a revolving drum. The drum shall be emptied once a year prior to the depositing of slips selected from the new list. The drum shall be kept locked and the key to said drum shall be kept by the judge or clerk of the police court.

(3) Whenever a jury is needed for jury service, the judge shall select at least twelve names from the drum and said persons shall be summoned by a police officer of the city.

(4) In the event that the jury panel is exhausted prior to the expiration of the time when the judge must draw a new list, then the judge may compel any police officer of the city to summon any number of additional qualified jurors as becomes necessary.

(5) In the event the jury panel drawn for a particular trial is exhausted then the judge may compel any police officer of the city to summon additional qualified jurors to fill the panel.

(6) If jury commissioners are used, they shall be compensated at the rate of five dollars per day for the time actually engaged, the

claim for which shall be certified by the judge appointing him or them and shall be paid by the city treasurer.

SB 174, AN ACT relating to statutory liens.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 376.195 is amended to read:

As used in this section and in KRS 376.205:

(1) "Labor" shall include all work done by teams, trucks, machinery, and mechanical equipment, whether the owner furnishes a driver or operator or not, but it shall not include labor performed by any officer, superintendent or stockholder of any corporation even though he may perform manual labor on the public work;

(2) "Materials" shall include all materials of every kind or character used in the public improvement which shall remain as a part of the completed improvement, and all the materials substantially consumed or the value thereof substantially destroyed in making the public improvement, including explosives, gasoline, oil, grease, form lumber and other similar articles; and,

(3) "Supplies" shall include small tools and equipment reasonably necessary in performing the work required to be done, including picks, shovels, sledge hammers, axes, pulleys, wire cables, ropes, and other similar items costing not more than fifty dollars per item, and tires and tubes furnished for use on vehicles engaged in the performance of the work;

(4) "Supplies" shall also include the cost of labor, materials, and repair parts supplied or furnished for keeping all machinery and equipment used in the performance of the work in good operating condition; and, shall include the agreed or reasonable rental price of equipment and machinery used in performing the work to be done; provided, however, that:

(a) The lien for rental of equipment or machinery shall not be more than the aggregate sum of *six* [three] months' rental, and the aggregate amount of such rental shall not exceed *sixty* [thirty] percent of the agreed value of the machinery or equipment; and

(b) The liens under this subsection shall be subordinate to the liens provided for in subsections (1) to (3) of this section and subordinate to the liens provided for in KRS 376.210 to 376.260.

SB 40, AN ACT relating to reports of automobile accidents.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 16.060 of the Kentucky Revised Statutes is amended to read as follows:

(1) It shall be the duty of the commissioner and each officer of the department to detect and prevent crime, apprehend criminals, maintain law and order throughout the state, to collect, classify and maintain information useful for the detection of crime and the identification, apprehension and conviction of criminals and to enforce the criminal, as well as the motor vehicle and traffic laws of the Commonwealth. To this end the commissioner and each officer of the department is individually vested with the powers of a peace officer and shall have in all parts of the state the same powers with respect to criminal matters and enforcement of the laws relating thereto as sheriffs, constables and police officers in their respective jurisdictions, and shall possess all the immunities and matters of defense now available or thereafter made available to sheriffs, constables and police officers in any suit brought against them in consequence of acts done in the course of their employment. Any warrant of arrest may be executed by the commissioner or any officer of the department. The powers and duties referred to in this section shall be subject to KRS 16.120.

(2) *Any officer investigating an automobile accident shall give an exact carbon copy of such report to each operator of each vehicle involved at the time and place of such accident. If the driver of any vehicle involved in an accident is unable physically to accept such copy, it shall be mailed immediately to the legal address of said driver. Any such report not made in full compliance with the above requirements shall be null and void of no effect in connection with any adjustment of claim or litigation arising from said accident.*

Section 2. Section 70.150 of the Kentucky Revised Statutes is amended to read as follows:

(1) The sheriff of each county and his deputies shall patrol all public roads in his county, and direct, regulate and control the traffic on such roads so as to maintain a maximum degree of safety.

(2) He shall, as soon as possible, after receiving information of their occurrence, investigate all accidents and wrecks occurring upon the roads. When possible, he shall determine the position of each of the vehicles connected therewith immediately before and after each accident or wreck. Where accidents or wrecks appear to have been made by the vehicles or by the parties owning, operating or occupying the vehicles at the time of the accident or wreck, he shall make a record of the measurement, direction and location of all tracks and visible impressions made on and about the road that have a tendency to disclose the cause of the accident. He shall make a record in his office of his observations and findings. He shall ascertain, if possible, the license number of each of the vehicles connected therewith, the

number of each engine and the make of each vehicle, the name of the state, territory, district, department and county issuing the license, the name and address of the owner or operator of the vehicle, the name and address of each occupant of the vehicles, the name and address of each witness, and the name and address of each person who immediately thereafter came upon the ground or who saw evidence of the position of the vehicles immediately before or after the accident or wreck, or who heard a statement made by the parties owning or occupying either vehicle as to how or who caused the accident or wreck.

He shall give an exact carbon copy of such report to each operator of each vehicle involved at the time and place of such accident. If the driver of any vehicle involved in an accident is unable physically to accept such copy, it shall be mailed immediately to the legal address of said driver. Any such report not made in full compliance with the above requirements shall be null and void and of no effect in connection with any adjustment of claim or litigation arising from said accident.

(3) When any person is wounded or killed, or there is reason to believe that criminal negligence or carelessness was the cause of the accident or wreck, the officer making the inspection, shall take affidavits or statements from all witnesses who have information of incriminating facts connected therewith. For the purpose of securing affidavits or statements, each sheriff and deputy may upon his own initiative, issue and serve a subpoena upon witness requiring them to testify, and may administer an oath to each witness before testifying, and may reduce the testimony to writing. The sheriff shall return the affidavits and statements, together with a report in writing of all information required, to the county attorney and a duplicate of the report and statements or affidavits to the circuit clerk for submission to the grand jury next to be convened in his county.

Said Committee Amendment to **SB 40** is as follows:

Amend printed copy of Senate Bill 40 on page 2, lines 10 through 14, by: Deleting lines 10 through 14 in their entirety and inserting in lieu thereof the following: "mail an exact carbon copy of such report to each operator of each vehicle involved within four days following the accident, to the address shown on the operator's license. Any such report not made in full com-"

And on page 3, by deleting lines 19 through 23 in their entirety and inserting in lieu thereof the following: "He shall mail an exact carbon copy of such report to each operator of each vehicle involved within four days following the accident, to the address shown on the operator's license. Any such report not".

SB 170, AN ACT relating to motor vehicles.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 186.040 of the Kentucky Revised Statutes is amended to read as follows:

(1) Upon receiving the application and fee, the county clerk shall issue to the owner a registration receipt containing the information required by subsection (2) and a registration plate. If the department finds that there is a shortage of materials suitable for making plates, or that a substantial saving will result, it may require by regulation with the approval of the Governor that previously issued plates continue to be used for a designated period. For services performed, the owner shall pay the county clerk the sum of fifty cents for each registration in addition to the registration fee.

(2) The registration receipt shall contain the registration number, the names and post office addresses of the owner *and the secured party* [and of the lien holder] as shown by *the financing statement* [chattel mortgage, or other instrument construed as such in this state,] on file in the office of the county clerk and such other information as the department may require. *The owner's copy of such receipt shall bear the seal of the county clerk who issued same. No fee shall be charged for placing such seal on the owner's copy of the receipt.* [The county clerk shall be paid a fee of sixty cents for recording each lien on the registration receipt in addition to statutory recording fees for recording the chattel mortgage, or other instrument construed as such in this state.]

(3) If a motor vehicle, other than a new motor vehicle, is registered in this state under the authority of a bill of sale, registration receipt or title, the registration receipt shall show the title or the registration number and the name of the state issuing same under which the motor vehicle was last registered in addition to the other required information.

Section 2. KRS Chapter 186 is amended by inserting therein a new section reading as follows:

(1) Financing statements relating to vehicles required to be registered in Kentucky by the county clerk shall be filed in the office of the county clerk of the county in which the debtor resides or, if the debtor is a nonresident, in the office of the county clerk in which the vehicle is principally operated.

(2) (a) Whenever a financing statement required by KRS Chapter 355 relating to any vehicle registered or required to be registered in Kentucky for use on the highway is presented to a county clerk for filing, such clerk shall also immediately note information required by the department relative thereto on the owner's copy of the registration

or transfer receipt issued for the current registration period as noted in KRS 186.170 (2), which the secured party must obtain and present to the county clerk, along with the financing statement, within ten days after execution of the security agreement. The clerk shall also note such information on the clerk's copy of the registration or transfer receipt maintained in his office in numerical order. The clerk noting the information on the owner's copy of the registration or transfer receipt shall return such receipt to the owner within five days after making such notation. For filing the financing statement, the clerk shall collect a fee of $3.25 from the secured party and, in addition, for noting the security interest on the required receipts, the clerk shall collect from the secured party a fee of eighty-five cents for each motor vehicle included on the financing statement.

(b) Whenever a financing statement affecting a vehicle is presented to a county clerk for filing in any county other than the one in which the current receipt was issued, the county clerk shall, in addition to the other requirements of this section, mail a notice of the security interest on a form furnished by the department to the clerk of the county in which the current receipt was issued. Upon receipt of said notice, the county clerk shall attach it to the copy of the current receipt on file, maintained in numerical order, in the county clerk's office and note the security interest on the clerk's copy of the receipt.

(3) For failure to present both the current receipt and financing statement within the time prescribed by subsection 2 (a), the secured party shall pay a penalty of two dollars to the county clerk as a prerequisite for noting the security interest on the current receipt. The penalty, less the county clerk's commission of five percent, shall be remitted to the department.

(4) Whenever a perfected security interest is assigned, the assignor shall immediately give a statement of assignment to the assignee and at the same time deliver another copy of such statement to the debtor. The assignee shall, within thirty days thereafter, present a copy of the statement of assignment to the county clerk in whose office the financing statement is on file. Upon receipt of the assignment, the county clerk shall mark the same as provided in KRS 335.9-405 (2) and attach it to the original financing statement. For his services the county clerk shall collect a fee of seventy-five cents from the assignee.

(5) Whenever a security interest has been discharged, other than by proceedings under KRS 355.9-501 through 355.9-507 or similar proceedings, the secured party shall, within thirty days thereafter, deliver a termination statement in the manner required by KRS 355.9-404 to the county clerk of the county in which the financing statement is filed. For failure to file the termination statement within

the allowable time, the secured party shall be subject to the penalty provided in subsection (3) of this section. Within five days after the receipt of such documents, the county clerk shall note the filing in the index and, in addition, note on the clerk's copy of the current receipt maintained in his office in numerical order, in language prescribed by the department that the termination statement has been filed. Upon presentation of the owner's copy of the receipt showing such security interest, the clerk shall also note on such receipt that the termination statement has been filed and place the seal of the county clerk thereon. The clerk shall return the owner's receipt to the owner. The county clerk shall remove the financing statement from his files, mark "terminated" thereon and send or deliver it to the secured party along with any continuation statement, statement of assignment or statement of release pertaining thereto. The county clerk shall then file the termination statement in the place from which the financing statement was removed. Termination statements must be retained in the clerk's files for a period of two years subsequent to the date of filing such statement, at which time they may be destroyed. No fee shall be collected for these services by the clerk. Once a security interest has been noted on the owner's copy of a registration or transfer receipt, no subsequent registration or transfer receipt may be issued by any county clerk free of such notation unless the owner's copy of the current receipt is presented to the clerk and it has noted thereon by the proper county clerk that the termination statement therefor has been filed. If this requirement is met, information relating to any security interest shown on the receipt as having been terminated may be omitted from the receipt to be issued by the clerk.

(6) Whenever any secured party repossesses a vehicle registered with a county clerk, for which a financing statement has been filed, and disposes of such vehicle pursuant to the provisions of KRS Chapter 355, he must present, within fifteen days after such disposition, an affidavit in form prescribed by the department and a termination statement or proof that such termination statement has been filed. The new owner shall pay all applicable fees for registering and transferring the vehicle to the county clerk. Upon receipt of such documents, the county clerk who issued the current receipt shall then omit from the registration or transfer receipt he issues, any information relating to the security interest under which the vehicle was repossessed or any security interest subordinate thereto. However, any security interest, as shown by such clerk's copy of the current receipt, which is superior to the one under which the vehicle was repossessed, must be shown on the receipt issued by the clerk unless the prior secured party has terminated such security interest in such clerk's office or proof of termination is submitted in case such prior security interest was discharged in another clerk's office.

(7) Whenever any vehicle brought into this state is required to be registered with a county clerk and such vehicle is then subject to a security interest in another state as shown by the out of state documents presented to the clerk, the county clerk is prohibited from registering the vehicle unless the owner obtains from the secured party a financing statement and presents same to the clerk along with all fees due. Such a financing statement must conform to the requirements of KRS 355.9-402 (3). The clerk shall note the out of state security interest on the new registration receipt and on the clerk's copy thereof. This provision does not apply to vehicles required to be registered in Kentucky under forced registration provisions under KRS 186.145. The penalty provided in subsection (3) of this section shall not apply to this subsection.

(8) The fees provided for in this section are in addition to any state fee provided for by law.

(9) Any person violating any provision of this section or any person refusing to surrender a registration or transfer certificate upon request of any person entitled thereto, is subject to the penalties provided in KRS 186.990 (1).

(10) The county clerk is prohibited from filing any financing statement on any vehicle subject to the provisions of this section if a registration or transfer receipt therefor is presented to him which has all the spaces provided thereon for noting security interests fully exhausted. The owner must see to it that a termination statement is filed for each discharged security interest and then a duplicate receipt as provided for in KRS 186.180 must be obtained from the clerk by the owner of the vehicle.

(11) Security interests in vehicles sold to or owned by residents of other states must be perfected in the state of such nonresident andreposssesion of the vehicle must be taken pursuant to the laws of such state, unless the vehicle is principally operated in Kentucky and is properly registered herein under KRS 186.020 and the security interest is authorized to be filed with the county clerk under KRS 355.9-401. However, a security interest on any vehicle which is not used on the public highways and for that reason is not required to be registered for highway use may be filed with the county clerk as otherwise permitted under KRS Chapter 355.

Section 3. Section 186.230 of the Kentucky Revised Statutes is amended to read as follows:

The county clerk shall see that KRS 186.020 to 186.260 in his county are enforced. In so doing, he shall:

(1) Take all applications as provided in KRS 186.020 to 186.260 *except those in KRS 186.090;*

(2) Issue the receipts on blanks furnished by the department;

(3) Collect the fees due the state;

(4) Distribute the registration plates furnished by the Department of Revenue and Department of Motor Transportation and keep a complete public record of all registrations for his county, in his office;

(5) Report and remit each Monday to the Department of Revenue all moneys collected during the previous week, together with a duplicate of all receipts issued by him during the same period. He shall make all checks payable to the State Treasurer. Unless the clerk forwards duplicates of all receipts issued by him during the reporting period with his report and remits the amount shown due by the report within seven days after the report and remittance are due, he shall pay a penalty of one percent per month or fraction thereof on the amount of money shown to be due on the report. The department may in its discretion grant a county clerk a reasonable extension of time to file his report and remit all moneys not to exceed ten days for any one report. The extension however must be requested prior to the end of the seven-day period and shall begin to run at the end of said period. All penalties collected under this provision shall be paid into the State Treasury as a part of the revenue collected under KRS 186.020 to 186.260;

(6) The clerk shall mail to the Department of Public Safety one duplicate of all receipts issued by him within two weeks of the date of issuance. The Department of Public Safety shall make the receipts pertaining to commercial vehicles available to the Department of Motor Transportation for use in assimilating data therefrom.

(7) Account to the Department of Revenue for all registration plates and receipt forms consigned to him, at such time or times as the Department of Revenue may direct, and give the appropriate department timely notice of a probable deficiency of plates or other supplies.

(8) Any county clerk, who is collecting the taxes and fees due the state or county clerk, accepts in payment thereof a check which is not honored upon presentment, shall have a lien on the vehicle for the amount of such check. This lien shall be subordinate to any prior perfected lien, either contractual or statutory.

Section 4. Subsection (1) of KRS 186.180 is amended to read as follows:

(1) *(a) If the owner loses his copy of a registration or transfer receipt, he may obtain a duplicate from the county clerk who issued the present owner's copy of the receipt by filing an affidavit, upon a form furnished by the department, and he shall pay to the clerk a fee of fifty cents.*

(b) When the owner's copy of any registration or transfer receipt shows that the spaces provided thereon for noting and discharging security interests have been exhausted, the owner may apply to the county clerk who issued such receipt in order to obtain a duplicate thereof. The owner shall surrender his copy of the current receipt to the clerk before a duplicate may be issued therefor. The owner shall pay the clerk a fee of fifty cents.

(c) Any security interest which has been discharged as shown by the records of the clerk or upon the owner's copy of the current receipt, must be omitted from the duplicate receipt to be issued by the clerk. [If the owner loses his registration receipt, he may obtain a duplicate from the clerk upon filing a written statement as to the loss, upon a form furnished by the department, through the clerk, and he shall pay to the clerk a fee of fifty cents.]

Section 5. KRS 186.195 is repealed.

Section 6. This Act shall take effect with the issuance of any 1965 registration receipt.

Calendar

SB 146, with Committee Amendment, **HB 279, SB 112, SB 198, HB 176, SB 65, SB 157, HB 203** taken from the Calendar and ordered read at length for the second time. Senator Gardner moved that they be read by title only. Agreed by a majority of members elected. Ordered placed in the Orders of the Day.

Orders of the Day

SB 10 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SB 10.** Agreed.

On the roll call the vote was yeas 31—Billington, Blue, Bonn, Brand, Buckman, Cobb, Derickson, Duffy, Edwards, Engle, Fuqua, Gardner, Garrett, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Layne, Mann, McCann, McGinty, Miller, Newberry, Nichols, Palmer, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

SB 10 was passed and the title agreed to.

Senator Ware moved that the vote by which **SB 10** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 21 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Donald Johnson offered Amendment #1 to **SB 21** and moved its adoption. Agreed.

Said Amendment #1 to **SB 21** is as follows:

Amend printed copy of Senate Bill 21 on page 1, line 2, by:

Inserting after said line the following:

"Section 2. This Act shall become effective on the first day of January, 1965."

Senator Donald Johnson moved the Previous Question on **SB 21**, as amended. Agreed.

On the roll call the vote was yeas 32—Blue, Bonn, Brand, Buckman, Cobb, Derickson, Duffy, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Layne, Mann, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

SB 21, as amended, was passed and the title agreed to.

Senator Donald Johnson moved that the vote by which **SB 21**, as amended, was passed be reconsidered and that said motion be laid on the table. Agreed.

HB 161 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Bonn moved the Previous Question on **HB 161**. Agreed.

On the roll call the vote was yeas 33—Blue, Bonn, Brizendine, Buckman, Cobb, Derickson, Duffy, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Layne, Mann, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

HB 161 was passed and the title agreed to.

Senator Bonn moved that the vote by which **HB 161** was passed be reconsidered and that said motion be laid on the table. Agreed.

HB 52 taken from Orders of the Day, with the Committee Amendment attached thereto, and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Brizendine moved the adoption of the Committee Amendment to **HB 52**. Agreed.

Senator Brizendine moved the Previous Question on **HB 52**, as amended. Agreed.

On the roll call the vote was yeas 33—Billington, Blue, Bonn, Brizendine, Buckman, Cobb, Derickson, Duffy, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Layne, Mann, McCann, McGinty, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 1—Miller.

HB 52, as amended, was passed and the title agreed to.

Senator Brizendine moved that the vote by which **HB 52**, as amended, was passed be reconsidered and that said motion be laid on the table. Agreed.

Report on Enrolled Bills

Committee on Enrollment reported that **SB 18, SB 20, SB 37, SB 51, SB 121** had been examined and found correctly enrolled. **SB 18, SB 20, SB 37, SB 51, SB 121** read at length, compared, and signed in open session by the President. Ordered delivered to the House.

SB 18, SB 20, SB 37, SB 51, SB 121 delivered, signed by Speaker. Ordered delivered to the Governor.

SB 123 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Bonn moved the Previous Question on **SB 123.** Agreed.

On the roll call the vote was yeas 32—Billington, Blue, Bonn, Buckman, Cobb, Derickson, Duffy, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Layne, Mann, McCann, McGinty, Miller, Mobley, Newberry, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

SB 123 was passed and the title agreed to.

Senator Bonn moved that the vote by which **SB 123** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 138 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Miller moved the Previous Question on **SB 138.** Agreed.

On the roll call the vote was yeas 30—Billington, Blue, Bonn, Brizendine, Buckman, Cobb, Derickson, Duffy, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, D. Johnson, F. Johnson, Kelly, Kinkead, Layne, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Van Hoose, Ware. Nays 0.

SB 138 was passed and the title agreed to.

Senator Miller moved that the vote by which **SB 138** was passed be reconsidered and that said motion be laid on the table. Agreed.

Senator Miller requested that Senator McCann be named as the sponsor of **SB 138.**

The Chair ruled that the record show that if Senator McCann had been present on the day **SB 138** was introduced, he would have signed same, but inasmuch as he was absent on that day it was impossible for him to sign it.

Senator Gardner moved that Michael Farnham Dudgeon, III, Mary Colleen Dudgeon, the grandchildren of Lieutenant Governor Waterfield, and Mary Frances Breathitt, Linda Key Breathitt, Susan Holleman Breathitt and Edward Thompson Breathitt, III, the children of Governor Edward T. Breathitt, be made Honorary Pages of the Senate. Agreed.

Announcement

Senator Gardner, Chairman, announced a meeting of the Committee on Rules at 10:00 A.M., Thursday, March 5.

Senator Gardner moved that the Senate adjourn until 11:00 A.M., Thursday, March 5. Agreed.

THURSDAY, MARCH 5, 1964

FORTY-SEVENTH LEGISLATIVE DAY

The Senate was called to order by the President.

Prayer by the Reverend H. Ward Jackson, Rector of the Episcopal Church of the Ascension, Frankfort.

The roll was called. All present except Senators Howard and Kidwell, who were granted leave of absence on motion of Senator McCann.

Reading of the Journal for March 4 dispensed with and the same approved on motion of Senator McCann.

Introduction of Bills and Resolution

SB 225, by Senators McCann and Mobley: AN ACT relating to communications between physician and patient.

SB 226, by Senator Turner: AN ACT relating to the National Guard.

SB 227, by Senators Miller, Layne, Kelly, McCann, McGinty and Van Hoose: AN ACT relating to free textbooks for children.

SB 228, by Senator Kiser. AN ACT relating to contracts made by the board of directors of a sanitation district.

SB 229, by Senator Gardner: AN ACT providing for the taking of the sense of the people of the Commonwealth of Kentucky as to the necessity and expediency of calling a Convention for the purpose of revising or amending the Constitution of the Commonwealth, and such amendments as may have been made to the same, as provided by Section 258 of said Constitution.

SB 230, by Senator Ware: AN ACT relating to aviation.

SB 231, by Senator Ware: AN ACT relating to sheriffs.

SB 232, by Senator Gardner: AN ACT relating to the University of Kentucky.

SB 233, by Senator Gardner: AN ACT relating to ionizing radiation.

SB 234, by Senator Gardner: AN ACT relating to Science and Technology.

SR 38, by Senator Gardner: A CONCURRENT RESOLUTION relating to constitutional revision.

Calendar

HB 125, SB 40, SB 115, SB 170, SB 174, SB 175, SB 176, SB 204, SB 205, SB 213, HB 220, HB 252, HB 75, SB 144, taken from the Calendar and ordered read at length for the second time. Senator Gardner moved that they be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

Orders of the Day

SB 168 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the Previous Question on **SB 168.** Agreed.

On the roll call the vote was yeas 33—Billington, Blue, Bonn, Brand, Brizendine, Buckman, Cobb, Derickson, Duffy, Engle, Fuqua, Gardner, Garrett, Gay, D. Johnson, F. Johnson, Kelly, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

SB 168 was passed and the title agreed to.

Senator Gardner moved that the vote by which **SB 168** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 163 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the Previous Question on **SB 163.** Agreed.

On the roll call the vote was yeas 35—Billington, Blue, Bonn, Brand, Brizendine, Buckman, Cobb, Derickson, Duffy, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, D. Johnson, F. Johnson, Kelly, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

SB 163 was passed and the title agreed to.

Senator Gardner moved that the vote by which **SB 163** was passed be reconsidered and that said motion be laid on the table. Agreed.

HB 100 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Miller moved the Previous Question on **HB 100.** Agreed.

On the roll call the vote was yeas 32—Billington, Blue, Bonn, Brand, Brizendine, Buckman, Cobb, Derickson, Duffy, Edwards, Fuqua, Garrett, Gay, D. Johnson, F. Johnson, Kelly, Kiser, Layne, Mann, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

HB 100 was passed and the title agreed to.

Senator Miller moved that the vote by which **HB 100** was passed be reconsidered and that said motion be laid on the table. Agreed.

HB 176 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Layne moved the Previous Question on **HB 176.** Agreed.

On the roll call the vote was yeas 32—Billington, Blue, Bonn, Brizendine, Buckman, Cobb, Derickson, Duffy, Edwards, Engle, Gardner, Garrett, Gay, D. Johnson, F. Johnson, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

HB 176 was passed and the title agreed to.

Senator Layne moved that the vote by which **HB 176** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 95 taken from Orders of the Day, with the Committee Amendment attached thereto, and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Duffy moved the adoption of the Committee Amendment to **SB 95.** Agreed.

Senator Kinkead moved, seconded by Senator Gay, that **SB 95** be tabled as amended, and requested a roll call.

On the roll call the vote was yeas 19—Blue, Bonn, Brizendine, Buckman, Duffy, Fuqua, Garrett, Gay, F. Johnson, Kelly, Kinkead, Mann, McCann, Mobley, Newberry, Palmer, Raybourne, Swope, Turner. Nays 13—Billington, Cobb, Derickson, Edwards, Engle, D. Johnson, Kiser, Layne, McGinty, Miller, Spence, Van Hoose, Ware.

SB 95, as amended, was tabled.

HB 132 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the Previous Question on **HB 132.** Agreed.

On the roll call the vote was yeas 28—Billington, Blue, Bonn, Brizendine, Duffy, Edwards, Engle, Fuqua, Gardner, Garrett, D. Johnson, F. Johnson, Kelly, Kinkead, Kiser, Layne, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

HB 132 was passed and the title agreed to.

Senator Gardner moved that the vote by which **HB 132** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 156 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the Previous Question on **SB 156.** Agreed.

On the roll call the vote was yeas 31—Billington, Blue, Brizendine, Buckman, Cobb, Derickson, Duffy, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, D. Johnson, F. Johnson, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Miller, Mobley, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 1—Newberry.

SB 156 was passed and the title agreed to.

Senator Gardner moved that the vote by which **SB 156** was passed be reconsidered and that said motion be laid on the table. Agreed.

House Message

Announcing passage of **HB 200, HB 210, HB 250, HB 258, HB 280, HB 300, HB 312, HB 314, HB 324, SB 113.**

Orders of the Day—Continued

HB 207 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the Previous Question on **HB 207.** Agreed.

On the roll call the vote was yeas 31—Billington, Blue, Bonn, Brizendine, Buckman, Cobb, Derickson, Duffy, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, D. Johnson, Kelly, Kinkead, Kiser, Layne, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Van Hoose, Ware. Nays 0.

HB 207 was passed and the title agreed to.

Senator Ware moved that the vote by which **HB 207** was passed be reconsidered and that said motion be laid on the table. Agreed.

HB 48 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Duffy moved, seconded by Senator Van Hoose, that **HB 48** retain its place in the Orders of the Day. Said motion lost by a voice vote.

Senator McCann moved the Previous Question on **HB 48.** Agreed.

On the roll call the vote was yeas 29—Billington, Blue, Bonn, Brizendine, Buckman, Cobb, Derickson, Duffy, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, D. Johnson, Kelly, Kinkead, Kiser, Layne, Mann, McCann, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Ware. Nays 3—McGinty, Miller, Van Hoose.

HB 48 was passed and the title agreed to.

Senator McCann moved that the vote by which **HB 48** was passed be reconsidered and that said motion be laid on the table. Agreed.

Report on Enrolled Bill

Committee on Enrollment reported that **SB 113** had been examined and found correctly enrolled. **SB 113** read at length, compared, and signed in open session by the President. Ordered delivered to the House.

SB 113 delivered, signed by Speaker. Ordered delivered to the Governor.

Senator Gardner moved that the Rules be dispensed with for the purpose of giving Committee Reports. Agreed.

Report of Committee

Committee on Rules reported **SR 25, HB 4, SB 85,** with Committee Amendment, **HB 2, HB 5,** with Committee Amendment, **HB 284, HB 285, HB 288, HB 152, SB 155, HR 35, SB 224, HR 17, SB 161, SB 108, SB 214, SB 203, HB 224, SB 177, SB 222, HB 258** with the expression of opinion that same should pass. Read at length for the first time and ordered placed in the Calendar.

SR 25, A JOINT RESOLUTION authorizing an appropriation to Betty Sue Hibbitts, administratrix of the estate of Bessie R. Arnold to reimburse the estate for state checks negotiated to the deceased.

WHEREAS, several state checks were negotiated to Bessie R. Arnold during a period of years running from 1955 to 1960 and which checks she failed to cash; and

WHEREAS, state checks are no longer payable two years after the date on which they were issued; and

WHEREAS, Bessie R. Arnold is now deceased and Betty Sue Hibbitts has been appointed administratrix of her estate.

NOW, THEREFORE,

Be it resolved by the General Assembly of the Commonwealth of Kentucky:

Section 1. That the estate of Bessie R. Arnold has a valid claim against the Commonwealth for the aggregate amount of checks negotiated to her between 1955 to 1960, which amount is four hundred and eighty-nine dollars and seventy-eight cents.

Section 2. That the Commissioner of Finance is hereby authorized and directed to draw a warrant in favor of Betty Sue Hibbitts, Administratrix in the amount of four hundred and eighty-nine dollars and seventy-eight cents and transmit the warrant to the State Treasurer, who shall issue a check in favor of Betty Sue Hibbitts, Administratrix in the above amount.

HB 4, AN ACT providing a Uniform Act on Paternity.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. The father of a child which is or may be born out of wedlock is liable to the same extent as the father of a child born in wedlock, whether or not the child is born alive, for the reasonable expense of the mother's pregnancy and confinement and for the education, necessary support and funeral expenses of the child.

Section 2. Paternity may be determined upon the complaint of the mother, child, person or agency substantially contributing to the support of the child. Such action shall be brought by the county attorney upon the request of such complainant herein authorized. If paternity has been determined or has been acknowledged according to the laws of this state, the liabilities of the father may be enforced in the same or other proceedings (1) by the mother, child, person or agency substantially contributing to the cost of pregnancy, confinement, education, necessary support or funeral expenses.

Section 3. The father's liabilities for past education and necessary support are limited to a period of four years next preceding the commencement of an action. An action under this Act shall be brought within four years after the birth, miscarriage or stillbirth of a child or be forever barred.

Section 4. The obligation of the estate of the father for liabilities under this act is limited to amounts accrued prior to his death and such sums as may be payable for dependence under other laws.

Section 5. The county court has jurisdiction of an action brought under this Act and all remedies for the enforcement of judgments for expenses of pregnancy and confinement for a wife or for education, necessary support or funeral expenses for illegitimate children. An appeal may be had to the circuit court if prosecuted within sixty days from the date of judgment. The court has continuing jurisdiction to modify or revoke a judgment for future education. All remedies under the Uniform Reciprocal Enforcement of Support Act are available for enforcement of duties of support under this Act.

Section 6. Either party to an action commenced under the provisions of this Act may demand a jury trial of the facts in issue, or the court upon its own motion may grant a jury trial, in accordance with the provisions of the Rules of Civil Procedure.

Section 7. If the issue of paternity is raised in an action commenced during the pregnancy of the mother, the trial shall not, without the consent of the alleged father, be held until after the birth or miscarriage but during such delay testimony may be perpetuated in accordance with the Rules of Civil Procedure.

Section 8. The court, upon timely motion of the defendant, shall order the mother, child and alleged father to submit to blood tests. If the mother refuses for herself or on behalf of the child to submit to such tests, the court may resolve the question of paternity against the complainant unless such action is brought by an agency substantially contributing to the support of the child.

Section 9. The tests shall be made by experts qualified as examiners of blood types who shall be appointed by the court. The experts shall be called by the court as witnesses to testify to their findings and shall be subject to cross-examination by the parties. The defendant upon whose motion the tests have been ordered may demand that other experts, qualified as examiners of blood types, perform independent tests under order of court, the results of which may be offered in evidence. The number and qualifications of such experts shall be determined by the court.

Section 10. The compensation of each expert witness appointed by the court shall be fixed at a reasonable amount. It shall be paid as the court shall order. The court may order that it be paid by the parties in such proportions and at such times as it shall prescribe. The fee of an expert witness called by a party but not appointed by the court shall be paid by the party calling him but shall not be taxed as costs in the action.

Section 11. If the court finds that the conclusions of all the experts, as disclosed by the evidence based upon the tests, are that the alleged father is not the father of the child, the question of paternity shall be resolved accordingly. If the experts disagree in their findings or conclusions, the question may be submitted upon all the evidence. If the experts conclude that the blood tests show the possibility of the alleged father's paternity, admission of this evidence is within the discretion of the court, depending upon the infrequency of the blood type.

Section 12. Judgments under this Act may be periodic payments which may vary in amount. The court may order payments to be made to the mother or to some person, corporation, or agency designated to administer them under the supervision of the court. Wilful failure of the alleged father to perform the judgment of the court may be punished as a contempt of the court. The court may impose a punishment of not more than thirty (30) days imprisonment in the county jail without the intervention of a jury. This provision shall not be deemed to limit or abrogate any other remedies which exist for the enforcement of judgments.

Section 13. The court at any time may require the alleged father to give bond or other security for the payment of the judgment. If the court requires that bond be given and if the alleged father is unwilling or unable to procure same, the alleged father may be confined to the county jail until same is procured provided, however, that after the alleged father has remained in jail for a period of thirty (30) days he shall be released provided he make oath in writing before the committing judge that he is unable to obtain the execution of the bond.

Section 14. An agreement of settlement with the alleged father is binding only when approved by the court.

Section 15. An action under this Act may be brought in the county where the alleged father is present or has property or in the county where the mother resides.

Section 16. This Act shall be so intepreted and construed as to effectuate its general purpose to make uniform the law of those states which enact it.

Section 17. This Act may be cited as the Uniform Act on Paternity.

Section 18. This Act applies to all cases of birth out of wedlock where birth occurs within this state after this Act takes effect.

Section 19. Sections 406.010, 406.020, 406.030, 406.040, 406.050, 406.060, 406.070, 406.080, 406.090, 406.100, 406.110, 406.120, 406.130, 406.140, 406.150, and 406.160 of the Kentucky Revised Statutes are repealed.

SB 85, AN ACT relating to condemnation of property and materials by the Department of Highways: Commissioners' Appointment, Duties.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 177.083 of the Kentucky Revised Statutes is amended to read as follows:

The County Court shall appoint as Commissioners, three impartial housekeepers who are owners of land. They shall be sworn to faithfully and impartially discharge their duties under this section. The Commissioners shall view the land or material sought to be condemned, and they may hear evidence and make any inquiry they desire touching the value thereof, *which value shall be the difference in the market value of the property before and after the acquisition of that portion sought to be condemned,* and award to the owner or owners the value of the property taken. [They shall also award any damages resulting to the adjacent lands of the owner or owners considering the purpose for which it was taken but shall deduct from such damages the value of the advantages and profits that will accrue to the adjacent lands from the construction and prudent maintenance of the proposed project.] They shall return a written report to the office of the clerk of the county court describing the property sought to be condemned [stating separately each item of damage]. They shall be allowed a reasonable fee which shall be taxes as costs.

Said Committee Amendment to **SB 85** is as follows:

Amend printed copy of Senate Bill 85 on pages 1 and 2, by:
Deleting Line 3 through Line 12 on Page 1 and Line 1 through Line 8 on Page 2, and substituting the following:
The County Court shall appoint as Commissioners, three impartial housekeepers who are owners of land. They shall be sworn to faithfully and impartially discharge their duties under this section. The Commissioners shall view the land or material sought to be condemned, and they may hear evidence and make any inquiry they desire touching the value thereof. The Commissioners will make a written report to the County Court Clerk describing the property sought to be condemned and which contains (1) the fair market value of the entire tract of land before the taking of the part sought to be condemned, (2) the fair market value of the remainder of the tract of land after the taking of the part sought to be condemned, (3) the difference in the fair market value as found by the Commissioners under 1 and 2 above. If the property sought to be condemned is a total tract, the report of the Commissioners will contain only a finding of the fair market value of the total tract before the taking. In determining the value of the remainder of the tract after the taking of a portion as required under number 2 above, the Commissioners shall take into consideration any enhancement in value growing out of the improvement that is attributable to the advantageous relationship of the property to the improvement, as disinguished from general en-

hancement of values in the community generally to property not even abutting on the improvement. The Commissioners shall be allowed a reasonable fee as determined by the County Judge, which shall be taxed as cost.

HB 2, AN ACT relating to revenue and taxation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Notwithstanding the provisions of KRS 141.010, any taxpayer other than a trust may elect to deduct from taxable income additional first year depreciation allowance as provided in Section 179 of the Internal Revenue Code in effect on January 1, 1963. This provision shall apply to taxable years beginning after December 31, 1963 and to property purchased after December 31, 1957.

HB 5, AN ACT relating to corrupt practices in elections. This Act shall be known as the "William H. DeMarcus—Ralph Bates—Harry Hoe Act".

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Whoever willfully sells, trades, barters, gives away or makes, or assists in making any unauthorized disposition of any food commodity donated under any program of the state or Federal Government, or shall withhold or threaten to withhold from or offer to provide the commodities to any person in order to influence the vote of any person at an election of public office, or whoever, not being an authorized recipient thereof, willfully converts to his own use or benefit any such food commodity, shall, upon conviction thereof, be punished by a fine of not less than $100 or more than $500, or by imprisonment for not less than 30 days or more than six months, or both.

Said Committee Amendment to **HB 5** is as follows:

Amend printed copy of Committee Substitute for House Bill No. 5 on page 1, by:

Deleting the title in its entirety and substituting in lieu thereof the following:

"AN ACT relating to disposition of state or federally donated commodities and prescribing penalties for the violation thereof."

HB 284, AN ACT relating to quarterly courts.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 25.480 is amended to read:

The judge of the quarterly court may appoint a clerk, who may file papers, issue all processes, administer oaths, and issue warrants of arrest and criminal summons for offenses within the jurisdiction of the [court.] *county and quarterly courts, take all appearance bonds required of persons arrested in the county, take all other bonds or recognizances required by law, accept payment of fines and bond forfeiture and give receipts for same and keep all other records required of the court, by law, and for his services may be paid, in addition to the other fees allowed clerks by law, a salary out of the county treasury as fixed by the county judge by written recommendation to the Fiscal Court of the county, which recommendation shall become effective upon its approval by resolution of the Fiscal Court.*

HB 285, AN ACT relating to fiscal courts.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 23.090 is amended to read:

(1) Any city, or portion of a city, coming within the provisions of KRS 23.060 shall be entitled to the benefits of KRS 23.060 to 23.080, whenever suitable provision is made by the fiscal court for furnishing a courtroom and a safe and suitable vault and depository for all books, papers and records pertaining to the circuit court in such city. Whenever it is made to appear to the circuit judge that the necessary provisions for holding circuit court have been made in the city, the judge, upon application of the city on the first day of the first term after filing the application, shall enter an order directing the latter portion of said term and each term thereafter to be held in the city, and all cases shall be assigned for trial at one or the other of said places.

(2) In counties having a population of less than one hundred and fifty thousand and containing a city of the second class which is not the county seat and in which city the fiscal court does not own, operate or maintain a courthouse, where terms of the circuit court are held in both the county seat and the city of the second class, the fiscal court shall provide quarters for all courts and county officers in said city of the second class and in the county seat. The fiscal court may acquire land for the purpose of constructing a courthouse *or a jail, or both,* and may issue bonds to provide for the payment of said construction, or it may contract with the city of the second class for the rent or lease of suitable quarters for the holding of court, *for a jail,* and the offices for county officers, for a rental of not less than one thousand dollars per month, nor more than two thousand dollars per month, the terms of the lease to be agreed upon by the fiscal court of such county and the governing body of such city.

HB 288, AN ACT relating to the commitment of incompetent persons.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 202.100 is amended to read:

(1) When the petition mentioned in KRS 202.040 has been properly filed with the clerk of the court, the court shall appoint two physicians to examine the defendant and to certify to the court as to whether they find the defendant to require further observation or study in a mental hospital, but if the petition mentioned in KRS 202.040 is for the inquest of one alleged to be mentally defective, the court shall appoint two physicians or one physician and one certified clinical psychologist licensed under the provisions of KRS Chapter 319 to examine the defendant and to certify to the court as to whether they find the defendant to need further study in an institution.

(2) Where possible, the physicians or physician selected shall have made a special study of mental deficiency and mental disease. The examiners, either physicians or physician and certified clinical psychologist, shall be entitled to a fee of ten dollars each for such examination and certification, to be paid by the *defendant except that where the defendant is indigent the fees provided herein shall be paid by the* county in which the petition is filed, upon a certified copy of an order of allowance made by the court holding the inquest.

Section 2. KRS 202.295 is amended to read:

In each restoration proceeding the court shall appoint a member of the bar to represent and protect the interest of the patient and said attorney shall be entitled to a fee of ten dollars for his services to be paid *by the patient, except that where the patient is indigent, the fee provided herein shall be paid* by the county in which the restoration proceeding is held, upon a certified copy of an order of allowance made by the court holding the proceeding.

HB 152, AN ACT relating to juries.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. The county judge shall appoint annually three jury commissioners to select a list of jurors to be used in the county and quarterly courts. The selection, qualifications and operating procedures of the jury commissioners shall be the same as those prescribed for circuit court jury commissioners in KRS 29.055, 29.075, 29.085, 29.105, 29.115, and 29.135 to 29.175.

Section 2. (1) County court jury commissioners shall receive five dollars per day for the time they are actively engaged in the selection of jurors. The compensation to the commissioners shall be paid by the fiscal court.

(2) The fiscal court shall provide for the payment of all other expenses necessary for the selection of jurors, including the cost of drums, locks, keys and cases selected by the county judge.

Section 3. KRS 29.390 is amended to read:

(1) Grand jurors and petit jurors in circuit court shall each be paid five dollars per day for jury service. Persons whose names are on the jury list for jury service in circuit court, or are summoned under KRS 29.280 to supply a deficiency, who appear in person in court in response to summons, who reside outside the corporate limits of the city in which the court sits, and who do not claim exemption or ask to be relieved from jury service, shall receive five dollars per day for each day they are required to be and are in attendance, even though they are not sworn or accepted for jury service.

(2) When kept together overnight in custody of the sheriff, petit jurors shall receive five dollars additional for each night they are kept together.

(3) In courts inferior to the circuit court, except in counties containing a city of the second class, each juror shall be paid *one dollar and* fifty cents for each case in which he serves, but if the same juror serves on more than two juries in one day he shall not be allowed a fee for the cases in excess of two.

(4) In courts inferior to the circuit court, in counties containing a city of the second class, each juror shall be paid $1.50 for each case in which he serves, but if the same juror serves on more than two juries in one day he shall not be allowed a fee for the cases in excess of two.

SB 155, AN ACT relating to teachers in public schools.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 157.390 is amended to read:

(1) (a) The Superintendent of Public Instruction, under regulations of the State Board of Education, shall classify teachers in rank as follows:

Rank I. Those holding regular certificates and who have a master's degree and who have earned thirty semester hours of additional approved graduate work, and those teachers who, as of September 1, 1962, were included in Rank I, having earned twenty-four semester hours of additional approved graduate work.

Rank II. Those holding regular certificates and who have a master's degree or its equivalent.

Rank III. Those holding regular certificates and who have an approved four-year college degree or the equivalent.

Rank IV. Those holding certificates and who have ninety-six to one hundred and twenty-eight semester hours of approved college training or the equivalent; provided, however, that persons holding emergency certificates shall not be classified higher than this rank.

Rank V. Those holding certificates and who have sixty-four to ninety-five semester hours of approved college training or the equivalent.

Rank VI. Those holding certificates and who have thirty-two or sixty-three semester hours of approved college training or the equivalent; provided, however, that effective July 1, 1965, no teacher in Rank VI shall be included in calculating the amount to be included in the foundation program of a district for teachers' salaries, unless the teacher holds a life certificate.

Rank VII. Those holding certificates and who have fewer than thirty-two semester hours of approved college training or the equivalent; provided, however, that effective July 1, 1964, no teacher in Rank VII shall be included in calculating the amount to be included in the foundation program of a district for teachers' salaries.

(b) In determining ranks, the Superintendent of Public Instruction, under regulations of the State Board of Education, shall classify teachers who hold valid certificates in the respective ranks according to approved college semester hours of credit. The Superintendent of Public Instruction, in defining preparation for certain types of vocational teachers as equivalent to college training, shall give consideration to apprenticeship training and industrial experience.

(2) Beginning with the school year *1964-65* [1961-62], the amount to be included in the foundation program of a district for teachers' salaries shall be determined by multiplying the number of teachers in each rank, not to exceed the number of classroom units allowed, by the amount set forth in the following allotment schedule for each rank:

Rank I	*$4900*	[$4600]
Rank II	*$4600*	[$4300]
Rank III	*$4300*	[$4000]
Rank IV	*$3200*	[$2900]
Rank V	*$2900*	[$2600]
Rank VI	*$2500*	[$2200]
Rank VII	*$2200*	[$1900]

The allotment schedule shall be increased by two hundred dollars for each rank beginning with the school year 1966-67. Provided, the amount to be included for vocational units, supervisory units, and units for administrators, directors of pupil personnel and special instructional services shall be increased proportionately if the personnel for such units are employed for longer than the regular school term and such employment is approved by the superintendent of Public Instruction under regulations of the State Board of Education. Where the actual number of teachers employed by the district varies from the number allowed under the provisions of KRS 157.310 to 157.440, the number to be included in each rank shall be in the same ratio that the number of teachers actually in each rank is to the total number of teachers employed.

(3) The amount to be included in the foundation program for other current expenses shall be determined by multiplying the number of classroom units by nine hundred dollars.

(4) The amount to be included in the foundation program for capital outlay shall be determined by multiplying the number of classroom units by six hundred dollars.

(5) The amount to be included in the foundation program of each district for transportation shall be determined by multiplying the aggregate attendance of transported children by the allowable cost per pupil per day for that district determined in accordance with the provisions of KRS 157.370.

(6) The total cost of the foundation program for each district shall be the sum of the allotments in subsections (2), (3), (4), and (5) of this section.

HR 35, A CONCURRENT RESOLUTION relating to a memorial at Gettysburg honoring soldiers of the Confederate States of America.

WHEREAS, after the death of the last Union veteran of the American Civil War there was caused to be erected at the site of the battle of Gettysburg a memorial honoring all Union soldiers, which memorial was paid for by those States which furnished soldiers to the United States Army; and

WHEREAS, after the death of the last Confederate veteran of this great conflict, the United Daughters of the Confederacy evidenced a desire to cause to be erected a similar memorial at Gettysburg in honor of all Confederate vetreans, to be paid for by those States furnishing troops to the Confederate States of America; and

WHEREAS, the sum of $1,000, representing the total contribution apportioned to the Commonwealth of Kentucky for the Confederate memorial, was appropriated from the contingency fund of former Governor Bert Combs and deposited to the accounts of the Kentucky Historical Society to be contracted to the United Daughters of the Confederacy for the erection of this memorial,

NOW, THEREFORE,

Be it resolved by the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Kentucky Historical Society be authorized, by the approval of this resolution, to release and transfer to the responsible person or persons the aforementioned sum of $1,000, for the sole and privileged purpose of erecting a suitable and enduring memorial at Gettysburg to all soldiers of the Confederacy, who by virtue of their sacrifices and deaths on their own fields of honor-in-defeat made America a stronger nation and all subsequent American battlefields presidios for free men of all tenets throughout the world.

Section 2. That a copy of this Resolution be forwarded to Mrs. John Pierce Campbell, Paducah, Kentucky, President of the Kentucky Division, UDC, for inclusion in its permanent records.

SB 224, AN ACT relating to school terms.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 158.070 is amended to read:

(1) The minimum school term shall be one hundred eighty-five days. The Superintendent of Public Institution, upon the approval of the State Board of Education, may extend the minimum term to ten months when the resources of the school fund or contributions by local taxation justify the extension, but no extension shall be made if it reduces the salaries of the teachers below the minimum fixed by law. A board of education may extend its terms beyond the minimum term set by the Superintendent of Public Instruction.

(2) The Board of education of any school district may use no more than four days of the minimum school term for holidays, three days for in-service training and professional work, [and] three days for attendance at state and district meetings of professional educational associations [.], *and shall use one day of excused absence for attendance at the Kentucky State Fair for students applying for excused absence for this purpose.* The State Board of Education, upon recommendation of the Superintendent of Public Instruction, shall adopt regulations governing the use of school days.

HR 17, A JOINT RESOLUTION requesting the Department of Fish and Wildlife Resources to restrict the hours in which quail may be hunted during the quail hunting season.

WHEREAS, quail, which congregate in coveys, often become separated from one another when being hunted; and

WHEREAS, quail, in order to regroup, call to each other in the evening when separated thereby betraying their presence to hunters;

NOW, THEREFORE,

Be it resolved by the General Assembly of the Commonwealth of Kentucky:

The General Assembly requests the Department of Fish and Wildlife Resources to adopt regulations restricting the hunting of quail, during the quail hunting season, to a period of time beginning one-half hour after sunrise and ending one-half hour before sunset.

SB 161, AN ACT relating to county jail building funds.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) To provide for a county jail, related capital improvements and other necessary facilities for the enforcement of criminal law in all counties containing a city of the first class a county jail building fund may be established by resolution of the fiscal court. The term "capital improvement" as used in this section shall include, but not be limited to (a) the purchase, construction, reconstruction, renovation, or remodeling of a jail or related county buildings, related public projects or facilities, and (b) the initial equipment of any newly acquired or newly-built building, project or facility wherein any essential governmental function of the county or other unit of local government may be located or carried on. All funds authorized to be raised for such county jail building fund shall be paid to the county treasurer and shall be deposited into a revolving fund which may be created under this section and designated as the County Jail Building Fund of ____________ County and from which payments shall be disbursed in accordance with general law for the construction or rental or both of a jail, capital improvements or facilities as authorized by this section. Provided, however, that no funds shall be collected or paid to the county treasurer under this section until the fiscal court of a county containing a city of the first class has established a county jail building fund.

(2) In counties in which a county jail building fund has been established, a tax of two dollars, in addition to costs and fees provided by law, shall be levied upon convictions in each criminal case in every court within the county, no matter what the penalty, includ-

ing violations of city ordinances, whether any fine is paid into the State Treasury or not. The funds raised by the tax on convictions in circuit court, quarterly court and magistrates courts shall be paid to the State Treasury as required by law, but such funds shall then be paid monthly by the state treasurer to the county treasurer for deposit in the county jail building fund. The funds raised by the aforesaid tax in municipal courts shall be paid directly by the city to the county treasurer each month and shall be deposited into the revolving fund created under this section and designated as the county jail building fund. All money or securities belonging to such fund shall be kept in a separate account by the county treasurer, who shall make a semi-annual statement of the fund to the fiscal court at its first regular meeting in January and July each year. The fiscal court shall make disbursements from such fund only for a county jail, related capital improvements and other necessary facilities for the enforcement of law.

(3) The fiscal court may enter into an arrangement with a county building commission, established under the provisions of KRS 67.450 through 67.555, for the acquisition, construction, remodeling or improvement of a county jail, related capital improvements and other necessary facilities. The fiscal court may offer to lease a county jail, related capital improvements and other necessary facilities from the building commission as provided in KRS 67.475 and may pay rentals required by such a lease from the county jail building fund established under this section.

Section 2. Section 26.430 of Kentucky Revised Statutes is amended to read as follows:

(1) Police courts in cities located in a county which has established a county jail building fund in accordance with section 1 of this act shall assess, in addition to fines, fees, costs or imprisonment, a tax of two dollars upon convictions in each criminal case, no matter what the penalty, including violations of city ordinances. Amounts so assessed shall be paid into the county jail building fund as provided in section 1 of this act. Provided, however, that the amount of two dollars shall not be assessed against any defendant convicted in the police court for violation of any parking ordinance. The city shall not be liable for such tax on convictions unless it is collected in money and paid into the city treasury. [No fees, except fees for recording bonds as provided by KRS 26.560, shall be received by any officer of the police court in cities of the first class, and no costs shall be taxed against any person tried by the court.]

(2) The police court in cities of the second class may assess, in addition to fine or imprisonment, any sum in its discretion, not exceeding three dollars, as costs against any defendant convicted in the court, and may enforce its payment by imprisonment in the jail or

workhouse, as in the case of fines. No judgment for costs shall be rendered in favor of the city for a greater amount than the fine, unless the police judge is of the opinion that a judgment for full costs should be rendered, and so certifies on the record.

(3) In prosecutions in and appeals from the police court in cities of the third class, the city shall not be liable for costs unless they are collected in money and paid into the city treasury. The judge shall tax costs for his services the same fees allowed to justices in penal cases.

(4) Fees and costs shall be taxed in the police court in cities of the fourth class to the same extent and in the same way as in courts having similar jurisdiction, except that in trials under city ordinances, the judge's costs shall be taxed as follows: If a jury is used, two dollars, and if a jury is not used, one dollar.

Section 3. Section 26.530 of Kentucky Revisd Statutes is amended to read as follows:

(1) All fines and forfeitures recovered in the police court of any city of the first class, by prosecution in the name of the city or the state, shall be paid into the city treasury as a contribution toward the expense of the police court. *In cases where a county jail building fund has been established in accordance with section 1 of this act, the tax of two dollars assessed upon each conviction in the police court of a city of the first class by sections 1 or 2 of this act, shall be paid monthly to the county treasury for deposit in the county jail building fund.*

(2) All fines, forfeitures and costs recovered in the police court of any city of the second class shall be paid into the city treasury for the use and benefit of the city. The chief of police shall collect them, make daily reports of his collections to the treasurer, take duplicate receipts and file one of the receipts with the city auditor. *In cases where a county jail building fund has been established in the county, the tax of two dollars assessed upon each conviction in the police court of the city by sections 1 or 2 of this act shall be paid monthly by the auditor to the county treasury for deposit in the county jail building fund.*

(3) All fines, forfeitures and costs recovered in the police court or in any prosecution originating in the police court of any city of the third class shall be paid by the marshal into the city treasury. The city treasurer shall give the marshal a receipt for each payment, and at each monthly settlement with the marshal the city auditor shall charge the treasurer with the amount of the receipts. The city legislative body shall make an order allowing the marshal, the prosecuting attorney and other officers their costs or commissions, and the balance of the amounts received shall be for the use of the city. *In cases where*

a county jail building fund has been established in the county, the tax of two dollars assessed upon each conviction in the police court of the city by sections 1 or 2 of this act shall be paid monthly to the county treasurer for deposit in the county jail building fund.

(4) All fines and forfeitures recovered in any court, the prosecution of which originated in the police court of any city of the fourth class, in the name of or in favor of the state, after the payment of all fees and costs, shall be paid into the city treasury for the use of the city. All fees in the police court in other than civil cases shall be paid into the city treasury for the use of the city. All fines and forfeitures recovered shall be collected by the chief of police or other officer to whom final process is directed, and shall be paid by him into the city treasury. Before the issual of final process the defendant may pay the fine or forfeiture to the chief of police, who shall pay it into the treasury. The police judge shall furnish each month to the city legislative body a sworn statement of all fines and forfeiture imposed by him during the month preceding, as they appear in the records of his court, and the chief of police shall make monthly settlement with the city legislative body of all fines and forfeitures collected by him. *In cases where a county jail building fund has been established in the county, the tax of two dollars assessed upon each conviction in the police court of the city by sections 1 or 2 of this act shall be paid monthly to the county treasurer for deposit in the county jail building fund.*

(5) (a) All fines, forfeitures and costs recovered in any court, by prosecution originating in the police court of a city of the fifth or sixth class, in the name of or in favor of the state, shall be paid into the city treasury, and credited to the general revenue fund of the city, unless set apart by statute or ordinance for other purposes. *In cases where a county jail building fund has been established in the county, the tax of two dollars assessed upon each conviction in the police court of the city by sections 1 or 2 of this act shall be paid monthly to the county treasurer for deposit in the county jail building fund.*

(b) It shall be the duty of each police judge, or his duly authorized representative, when fines and forfeitures are recovered in his court, to prepare a receipt in duplicate in each case for the full amount of fine or forfeiture, plus costs *and tax on conviction where applicable,* paid into the court, giving the full name and post office address of the person paying such fine or forfeiture, a copy of which receipt shall be given to the person paying the fine or forfeiture, and the other copy of which shall be retained by the judge to be filed with the city treasurer. Each receipt in the receipt book is to be numbered consecutively and all must be accounted for. The receipt books shall be paid for by the city.

(6) In the police courts of cities in counties in which a county

jail building fund has been established, the tax of two dollars assessed for the county jail building fund upon convictions shall be in addition to other court costs authorized by law.

Section 4. Section 431.100 of Kentucky Revised Statutes is amended to read as follows:

All fines and forfeitures imposed by law shall inure to and vest in the Commonwealth, except where, by law, the whole or a part thereof is given to a person or to some particular object, and may be recovered by civil procedure by the person to whom it is given or upon indictment or information. *Provided, however, that nothing in this section shall be interpreted as affecting the tax on convictions authorized for counties which have established a county jail building fund in accordance with section 1 of this act.*

SB 108, AN ACT relating to license taxes.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 68.185 is amended to read:

(1) The fiscal court of said counties may provide for the levy, the assessment and the collection of such license taxes, provide for the issuance and enforcement of licenses, and specify the county governmental purposes to which the revenue therefrom shall be applied.

(2) In making the provisions described in subsection (1), and without limiting them, the fiscal court may, by resolution or order adopt reasonable rules or regulations requiring the preparation and filing of timely, accurate, and truthful returns, accounts, and license applications which will aid in the determination of the amount of tax.

Section 2. KRS 68.990 is amended to read:

(1) Any outgoing county treasurer who fails for ten days to comply with any of the provisions of KRS 68.050 shall be fined not less than fifty nor more than five hundred dollars.

(2) The fiscal court and each member thereof that fails or refuses to comply with any of the provisions of KRS 68.080 shall be fined fifty dollars for each offense.

(3) Any county officer or member of a fiscal court who violates any of the provisions of KRS 68.110 (3) shall be fined not less than one hundred nor more than five hundred dollars, or imprisoned in the county jail for not less than one month nor more than twelve months, or both.

(4) Any county or state officer who knowingly violates any of the provisions of KRS 68.250 (4), 68.270, 68.280, 68.310, 68.320 or 68.370 shall, in addition to the specific liabilities imposed for violating any of

the provisions of those sections, be guilty of a misdemeanor and, upon conviction thereof, shall have his office declared vacant, and may also be fined not more than five hundred dollars or imprisoned for not more than ninety days, or both.

(5) Any county officer or member of a county budget commission who willfully violates any of the provisions of KRS 68.010, 68.020 (3), 68.220 to 68.260, 68.290, 68.300, 68.330, 68.340 or 68.360 shall be fined not less than fifty nor more than two hundred dollars.

(6) Any person, including a corporation, who willfully fails to prepare or file a timely return, account, or license application described in KRS 68.185, or who willfully prepare or files a false or inaccurate return, account, or license application shall be fined not more than three hundred dollars.

SB 214, AN ACT relating to county roads.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) It is hereby declared that in counties containing a city of the first class a system of county through roads over which traffic can be routed or which can serve as major connecting links to state highways is a necessary and integral part of a unified system of highways, roads and streets needed for the movement of traffic in such a metropolitan area and that the construction, reconstruction, widening, relocation, repair, maintenance and improvement of such a system of county through roads is a proper and legitimate public function as an alternative to other authorizations or requirements.

(2) The fiscal court of a county containing a city of the first class, acting upon the basis of an engineering and traffic investigation by the county road engineer, may designate for purposes of construction, reconstruction, widening, relocation, repair, maintenance and improvement from among the public roads within the county certain roads proposed to constitute the "county through road system." County through roads may include (a) main traveled roads, (b) roads in unincorporated areas necessary for the circulation of traffic within the county, (c) streets and roads through, within, or adjacent to cities of any class necessary for the circulation of traffic within the county, or (d) major roads connecting two primary roads maintained by the state. County through roads shall not include roads on the state highway system.

(3) As soon as the proposed county through roads are designated as provided in subsection (2) of this section, the fiscal court shall cause such county through roads to be marked on a map to be deposited

with the county road engineer and to be open to public inspection. Upon the filing of the map, the clerk of the fiscal court shall, in conformance with KRS 424.130 (1) (b), have published in a newspaper of bona fide general circulation within the county (a) a notice of the proposed adoption of a county through road system, (b) a description of roads or portions thereof proposed to be included, (c) notice of the date upon which the fiscal court will consider the adoption of the county through road system, and (d) notice that the map of the proposed county through road system is open to inspection in the office of the county road engineer.

(4) At any time before the adoption of the county through road system, any freeholder of the county may file a petition with the county road engineer asking for any change in the designated county through roads, setting forth the reason for the proposed change. Such petition shall be accompanied by a plat showing such proposed change. Any such petition shall be considered by the fiscal court at its meeting held on the date advertised in accordance with subsection (3) of this section. The fiscal court may accept or reject any such suggested changes in the proposed county through road system. The fiscal court may continue the consideration to a later meeting which must be advertised as provided in subsection (3) of this section. The roads which the fiscal court so designated by official resolution shall be conclusively established as the county through road system.

(5) Classifications or designations of a county through road system established by this section shall not affect or change classifications or designations made by other sections of the Kentucky Revised Statutes such as "county roads", "main county roads", "rural and secondary roads", "turnpikes", "city streets" or similar terms; except that when there is an irreconcilable conflict arising from the actual application of this section in a given instance and a designation or classification made in other sections of the Kentucky Revised Statutes, this section shall prevail. Nothing in this act shall preclude the expenditure on the county through road system, including portions within cities, of state funds allocated for public highways under the provisions of KRS 179.410 to 179.430, or KRS 177.320 to 177.380, or any other section of the Kentucky Revised Statutes in accordance with the provisions of KRS 177.330; KRS 177.340, or KRS 179.420.

(6) The provisions of KRS 178.050 through 178.100 shall not apply to a county through road system established under the provision of this act.

Section 2. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) The fiscal court of a county containing a city of the first class may, at any time, add other roads, or portions of roads, to the county through road system adopted in accordance with section 1 of

this act. The fiscal court shall cause the proposed addition to be marked on a map to be deposited with the county road engineer and to be open to public inspection. The same procedure set forth in section 1 of this act for the establishment of the county through road system shall be followed in the case of roads or portions of roads added thereto. Notice of the proposed addition to the system shall conform to KRS 424.130 (1) (b).

(2) The fiscal court of a county containing a city of the first class may establish a new road in compliance with the provisions of KRS 178.115 to 178.125, or relocate a road in accordance with KRS 178.115, and at the same time add it to the county through road system, following the same procedure as is now set forth in section 1 and subsection (1) of section 2 of this act, including notice in accordance with KRS 424.130 (1) (b).

(3) The decision of the fiscal court made in accordance with this section shall be final.

Section 3. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) After an engineering and traffic investigation and the receipt of recommendations by the county road engineer, a county through road or a portion thereof established as provided in section 1 of this act may be detached from the county through road system. The fiscal court shall cause the proposed deletion to be marked on a map to be deposited with the county road engineer and to be open to public inspection. The same procedure set forth in section 1 of this act for the establishment of a county through road system shall be followed in the case of roads or portions of roads detached therefrom. Notice of the proposed deletion from the system shall conform to KRS 424.130 (1) (b). The fiscal court may in its discretion detach or retain the road as a part of the county through road system. The decisions of the fiscal court made in accordance with this section shall be final. Whenever any county through road has been added or detached from the county through road system in accordance with this act, the county road engineer shall accordingly amend the map of the county through road system, which map shall at all times be available for public inspection in the office of the county road engineer. Nothing herein shall be construed as automatically deleting from the county through road system any portion of the system in territory which becomes incorporated as a city or which becomes annexed to a city.

(2) Nothing in this chapter shall be construed to take from the jurisdiction or control of the Legislative body of any incorporated city, any road, bridge, landing or wharf, or any other thing exclusively under the jurisdiction or control of such city. Provided, however, that roads within a city of the first through sixth classes in a county con-

taining a city of the first class may be made a part of the county through road system, in accordance with sections 1 or 2 of this act, or both, with the agreement of the legislative body of said city.

(3) Nothing in this chapter shall prevent any county court from acquiring land by gift for public purposes.

Section 4. Section 178.020 of Kentucky Revised Statutes is amended to read as follows:

Every county road, bridge and landing, and every city street and alley heretofore lawfully established and opened and not lawfully discontinued or vacated shall continue as such, until properly discontinued. Every road, street and alley, used and occupied as a public road, street or alley, shall be presumed to be a public road, street or alley, as the case may be. *Nothing in this section shall be interpreted as interfering with the right of the fiscal court of a county containing a city of the first class from detaching a road or a portion thereof from the county through road system.*

Section 5. Section 178.030 of Kentucky Revised Statutes is amended to read as follows:

The roads, bridges and landings transferred by the state to the counties in which they are located shall be county roads, bridges and landings. *Provided, however, that roads, bridges and landings so transferred shall not become a part of a county through road system in a county containing a city of the first class unless they are made a part of such a system in accordance with sections 1 or 2 of this act, or both.*

Section 6. Section 178.040 of Kentucky Revised Statutes is amended to read as follows:

(1) In order to change the width of a county road, the [county] *fiscal* court shall make a special order for a different width. The order shall be recorded in the office of the county clerk. *In order to change the width of the right of way of a portion of a county through road system the fiscal court of a county containing a city of the first class may make a special order for a different width. The order shall be recorded in the office of the county road engineer.*

(2) [Before making the order a petition must be filed by the county road engineer or by two landowners, but in all other respects the procedure shall be the same as in application for opening or discontinuing a road.] All county roads hereafter established shall occupy a right of way not less than thirty feet wide, but the county court may order it to be a greater width. *All roads added to the county through road system in a county containing a city of the first class in accordance with section 2 of this act shall occupy a right of way width as ordered by the fiscal court.*

(3) *In acquiring a right of way for a county through road within any city, the fiscal court or the county court of a county containing a city of the first class may exercise any powers granted them by statute for the acquisition of property.*

[(3) No county bridge, unless it is exclusively for footmen, shall be less than twelve feet wide.

(4) The grade of county roads hereafter established shall not exceed five feet rise per hundred feet unless specially authorized by the county court, upon the recommendation of the county road engineer.]

Section 7. Section 178.280 of Kentucky Revised Statutes is repealed.

Section 8. Section 179.070 of Kentucky Revised Statutes is amended to read as follows:

The county engineer shall:

(1) Have general charge of all county roads and bridges within his county;

(2) See that county roads and bridges are improved and maintained as provided by law;

(3) Supervise the construction and maintenance of county roads and bridges and other work of like nature undertaken by the fiscal court;

(4) Make reports from time to time as the county or fiscal court directs;

(5) Advise and direct employes of contractors how best to repair, maintain and improve county roads and bridges;

(6) Examine the various formations and deposits or gravel and stone in his county to ascertain the materials most available and best suited for the improvement of roads therein, and, when requested by the Department of Highways, submit samples of such materials and deposits and make a written report concerning the materials;

(7) Establish or cause to be established necessary grades and recommend means of drainage, repair and improvement;

(8) Together with the fiscal court, consider and either reject or approve plans, specifications and estimates submitted for the erection or repair of bridges and the construction or maintenance of county roads;

[(9) Hold a meeting in each magisterial district each year between February 20 and March 20, for the discussion of road topics and for furthering the improvement of the roads of the county;]

[(10) Whenever a general meeting is called in the interest of good roads for the county or district by the Department of Highways, cause due notice thereof, together with the meetings to be held by him, to be given as provided in KRS 178.050;]

(11) Inspect, or cause to be inspected, each county road or bridge during its construction or improvement, and certify to the fiscal court the progress of the work and whether or not the work is being done according to the contract, plans and specifications prepared therefor. If he finds that the work is not being done in accordance with the contract, plans and specifications, he may stop any further work thereunder until the fiscal court has inspected and passed upon it;

(12) *Remove trees or other obstacles from the right of way of any publicly dedicated road when the tree or other obstacles become a hazard to traffic; and*

(13) *Make recommendation to municipal authorities in a county containing a city of the first class or the county court of a county containing a city of the first class for the establishment of speed limits by either in accordance with the powers granted to municipal authorities and the county court by KRS 189.390 (4) (a), and make recommendations to the county court for the establishment of parking restrictions by the county court in accordance with KRS 189.390 (4) (c);*

(14) *Make engineering and traffic investigations and make recommendations based thereupon to the fiscal court of counties containing a city of the first class for the adoption of traffic regulations for any publicly dedicated road in unincorporated portions of the county or for any road made a portion of a county through road system, established in accordance with this section 1 or section 2, or both, of this act, in any manner reasonably calculated to promote the safety and convenience of the traveling public and to protect and preserve the roads and streets. The fiscal court may adopt regulations which may include, but not be limited to, the establishment on roads designated in the first sentence of this subsection of traffic lanes, the installation or removal of electric signals and other signs and markers, the removal of traffic bumps, the limitation or prohibition of parking, and the regulation or prohibition of a size or weight deemed likely to impeed traffic or injure the streets; provided, however, that if such regulation of size and weight of vehicles conflicts with state regulations, the latter shall prevail. Nothing herein shall be construed to prevent the fiscal court from contracting with city authorities for the joint installation of signs, markers, and electric signals and for their maintenance.*

Section 9. Section 179.330 of Kentucky Revised Statutes is amended to read as follows:

(1) Every county road shall be known by the name by which it was designated on the map or plat or record in the office of the county clerk of the county in which it is located or by the order of the court establishing the road, or by the deed conveying the right of way for the road to the county.

(2) When the name of any road has been designated as provided in subsection (1) of this section, the name of the road can only be changed by an order of the county court. Such order may be issued on a petition and proceeding in which fifty percent or more of the property owners abutting upon the road have joined in the petition or have been summoned for a hearing upon the petition in the county court at a day and time designated for the hearing *or in counties containing a city of the first class upon the recommendation of the county engineer and of the planning and zoning commission.* On similar proceeding an order may be issued designating a name for any unnamed road in the county.

(3) The fiscal court may cause signs bearing the name of each road as fixed by the county court, to be placed on the roads, or it may, by a resolution duly recorded, authorize any person or organization to erect signs, approved as to form by the fiscal court, bearing the name designated to the road by the county court.

(4) No person or organization shall remove or damage any sign erected as hereinabove provided for, or [To] erect or place, or cause to be erected or placed, upon a road any sign or signs, indicating, marking, or designating a road by any other name than as hereinabove provided for.

(5) Nothing in this section shall prohibit the Department of Highways from designating roads built under the supervision of the Department of Highways, either by name or number.

Section 10. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) Any person or corporation, public or private, or any group of such persons or corporations or both residing in or owning property adjacent to any publicly dedicated road in unincorporated territory in a county containing a city of the first class desiring to make any improvements to the publicly dedicated road shall submit to the county court for approval plans and specifications for its improvements at their own expense. Any such request for private improvement shall include all the information required by KRS 184.020 to accompany a request for the creation of a public road district pursuant to that section.

(2) The sponsors of the private improvement of the publicly dedicated road shall present their request, together with the attached

maps and estimates of cost, to the county judge, who shall turn over to the county engineer for his consideration the maps and estimates of cost. In considering whether to permit the requested improvement, the county judge and the county engineer shall follow the same procedures provided for in KRS 184.040 and 184.050, and the same appellate rights provided for in these sections are available to the petitioners. When the county engineer receives from the county judge an application for approval of plans or specifications for the private improvement of publicly dedicated roads by some individual or corporation, or a combination thereof, the county engineer shall be authorized and empowered to examine, inspect and investigate, as seems to be advisable, the sufficiency of the improvements which the application seeks to serve the purposes intended, and to establish and make reasonable charges for such services on the basis of a schedule adjusted according to the services required to make such investigation or on any other reasonable method.

(3) When it appears to the county engineer that the completion of the improvement by or on behalf of any such individual or corporation requires inspection and supervision in order to assure the protection of the public safety and the proper subsequent completion of such work for the purposes intended, the county engineer shall include such findings in his recommendation to the county judge approving, modifying or disapproving the particular plans and projects, and shall charge such person or corporation for such inspection and supervision on the basis of the actual cost of inspection plus a reasonable additional cost of supervision.

SB 203, AN ACT relating to the operation of buses in counties containing a city of the first class.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

A new section of the Kentucky Revised Statutes is created to read as follows:

Any county containing a city of the first class may use the authority given to cities by KRS 281.635 (1), (2), (3), (6), (7), (8) to grant authorizations for the operation of buses over the streets and highways of the unincorporated portions of said county, "city" or "cities" being read as "county containing a city of the first class", "city buses" being read as "county buses", "city of the first four classes" being read as "county containing a city of the first class", and "intracity transportation within the corporate limits of a single city" being read as "transportation within the unincorporated areas of a county containing a city of the first class". This section shall not be interpreted as giving to a county containing a city of the first class the authority to regulate taxicabs or taxicab drivers through reference to KRS 281.635(6).

HB 224, AN ACT relating to the licensing of motor vehicles.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

The county clerk may transfer the registration of a motor vehicle sold to satisfy a lien pursuant to KRS 376.275 or 376.280. In such cases the seller shall not be required to deliver the current year registration receipt to the clerk as provided in KRS 186.190(2) and (3), but the seller shall be required to deliver to the county clerk before the transfer is made a bill of sale for such vehicle and an affidavit setting forth the nature of the lien, when and how the lien was acquired, when and in what manner the owner or other person known to have an interest in said property was notified as required by KRS 376.275 or 376.280, and when and to whom the motor vehicle was sold. The seller shall state in the affidavit that all requirements of KRS 376.275 or 376.280, whichever is applicable, have been complied with. The affidavit shall be retained by the clerk and attached to the clerk's copy of the transfer of registration. Nothing contained in this Act shall be deemed to relieve the seller from the payment to the clerk of any fee for transferring the registration of a motor vehicle.

SB 177, AN ACT relating to the replevy of judgment or fine.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 426.450 is amended to read:

(1) Any person against whom a judgment for money is rendered, except as provided in KRS 426.470, may, if an execution thereon has not been placed in the hands of a collecting officer, replevy the judgment for three months before the circuit court clerk or the judge of the inferior court entering the judgment, by giving bond with good surety to be approved by the officer.

(2) Any person against whom a judgment imposing a fine has been entered, or any person confined in jail for the nonpayment of a fine, may replevy the fine for three months before the circuit court clerk or the judge of the inferior court entering the judgment, by giving bond with good surety to be approved by the officer taking the bond. If said bond is not paid at maturity the court in which the judgment imposing the fine was entered shall have the option of issuing a capias pro fine against the principal or by execution on the replevin bond against the surety for satisfaction of the bond, interest and costs, or any part thereof remaining unpaid.

(3) The bond, varied to suit the particular case, may be in substance as follows:

"This day the defendant AB, together with CD, his surety, *come* [came] before the clerk of the ______________ court, or before the presiding quarterly, city or police judge, or justice of the peace of ______________ County, and *undertake* [undertook] that *we will* [they would] satisfy and pay EF, *or the Commonwealth of Kentucky, the* [his] judgment, including interest, if any, and costs amount to *$*___________, rendered [in his favor] against the said AB, by this court, within three months, with legal interest on the whole amount thereof from this date."

SB 222, AN ACT relating to the Department of Libraries.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 171.203 is amended to read:

Any funds appropriated for the purposes of KRS 171.201 to 171.205 shall be expended for aiding in the establishment, extension and development of local public library facilities [(exclusive of library buildings, equipment and furniture)] through the purchase of books, *equipment or library buildings,* [or bookmobiles,] through technical assistance, educational and promotional programs, and such other methods and services as will best accomplish the purpose. Funds in the Public Library Service Fund shall be paid out by the State Treasurer on warrants drawn by the Commissioner of Finance on order of the State Librarian.

Section 2. KRS 171.204 is amended to read:

To the extent of funds available, grants shall be made to counties applying for state aid, *if they meet the requirements established by the Department of Libraries. The Department of Libraries may provide partial grants or loans for constructing county or district library buildings and may accept federal funds to be used for this purpose.* [in the order in which they meet the requirements established by the State Librarian. Grants-in-aid thus provided shall not exceed $5,000 to any county. Each county receiving a state grant shall expend from local funds, for county-wide public library service during the years for which aid is received a sum equal to at least five percent of the amount received from state funds; the ratio of matching to be based on local financial ability as determined by the assessed valuation of the county.]

Section 3. KRS 173.360 is amended to read:

(1) After the legislative body of a governmental unit has made provisions for library service according to any of the methods set forth in KRS 173.310, the legislative body shall appropriate money

annually to furnish such service. In library regions it shall not be less than three cents, nor more than ten cents on each one hundred dollars worth of property assessed for local taxation. In counties containing a city of the first class it shall be not more than fifteen cents on each one hundred dollars worth of property assessed for local taxation. In all other governmental units it shall be not less than five cents nor more than fifteen cents on each one hundred dollars worth of property assessed for local taxation. *In those instances where county library service has been established on the initiative of the Fiscal Court and when an appropriation of less than the minimum amount required by this subsection is proposed, the minimum amount of support for county library service may be determined annually through a mutual agreement of the county library board, the county fiscal court, and the State Department of Libraries. This agreement shall be reflected in the records of the legislative body of the governmental unit making the appropriation.* [It may be a special levy if the constitutional limit has not already been levied or this amount included in the general levy.]

(2) All funds for the library shall be deposited monthly to the credit of the library board. These funds shall not be used for any but library purposes. The treasurer of the library board shall be required to execute bond with good and sufficient surety thereon for the faithful performance of his duties, the amount of the bond to be fixed by the board. If the bond has a corporate surety the premium shall be paid from the library fund. The board shall have exclusive control of expenditures, subject to an examination of accounts as may be required by the legislative body, and money shall be paid only upon vouchers approved by the board. The board shall not make expenditures or incur indebtedness in any year in excess of the amount of money appropriated and available for library purposes, except where a library board is the owner of real estate not used for library purposes, in which case they may borrow money secured solely by that property. Principal and interest on indebtedness on real estate owned by a library board not used for library purposes is not chargeable to the library funds derived from taxation.

Section 4. KRS 173.470 is amended to read:

District shall be organized in the following manner:

(1) Upon the filing of a duly certified petition of one hundred or more duly qualified voters in each county to be included within the territorial limits of the proposed district, the fiscal court of each county in the proposed district shall adopt a resolution submitting to the qualified voters of the county the question as to whether a public library district should be established for the area and a special ad valorem tax imposed for the maintenance and operation of the district, not to exceed twenty cents on each one hundred dollars

of the assessed valuation of all property in the district. A certified copy of the order of the fiscal court shall be filed with the county court clerk at least sixty days prior to the next regular election and thereupon the clerk shall cause the question to be placed upon the ballot.

(2) The question shall be in *substantially* the following form: "Are you in favor of establishing a public library district for (insert name*s* of [county or] counties) which shall have the authority to impose a special ad valorem tax of (*insert exact amount*) [_________] on each one hundred dollars *worth of property assessed for local taxation* [of the assessed valuation of all property] in the district for the maintenance and operation of the (insert name) public library district?"

(3) If a majority of those voting in each county on the question favor the establishment of a public library district it shall be so established and shall constitute and be a taxing district within the meaning of Section 157 of the Constitution of Kentucky.

(4) All special ad valorem taxes authorized by KRS 173.450 to 173.650 shall be collected in the same manner as are other county ad valorem taxes in each county affected and shall be turned over to the board as the governing body of the district. The special ad valorem tax shall be in addition to all other ad valorem taxes.

HB 258, AN ACT relating to meat products.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. All meat or meat products or foodstuffs containing meat which has been imported into the United States of America and offered for sale in this Commonwealth shall be clearly and plainly designated as imported meat on the label of the package. Imported meat shall also include that meat raised in a foreign country but processed in the United States of America.

Section 2. No person shall possess in a form ready for serving at a public eating place meat or meat products or foodstuffs containing meat which has been imported into the United States of America unless a notice thereof is displayed prominently and conspicuously in such place and in such manner as to render it likely to read and understood by the ordinary individual being served in such eating place or is printed or is otherwise set forth on the menu in type or lettering not smaller than that normally used to designate the serving of other food items.

Section 3. Any business or firm or retailer convicted of violating Section 1 shall be fined not less than ten nor more than one-hundred dollars. Each sale shall constitute a separate offense.

Section 4. Whereas, there is a great quantity of meat imported into the United States and sold within the state of Kentucky and it is impossible to identify the origin or quality of such meats, an emergency is declared to exist and this Act becomes effective upon its passage and approval by the Governor.

Announcement

Senator Gardner, Chairman of the Rules Committee, announced a meeting of the Committee at 1:00 P.M., Monday, March 9.

Senator Gardner moved that the Senate adjourn until 3:00 P.M., Monday, March 9. Agreed.

MONDAY, MARCH 9, 1964

FIFTIETH LEGISLATIVE DAY

The Senate was called to order by the President.

Prayer by the Reverend Herman Bowers of the First Baptist Church of Frankfort.

The roll was called. All present except Senators Bonn and Miller, who were granted leave of absence on motion of Senator McCann.

Reading of the Journal for March 5 dispensed with and the same approved on motion of Senator McCann.

Introduction of Bills

SB 235, by Senator Van Hoose: AN ACT relating to the annexation or reduction of territory in fourth class cities.

SB 236, by Senator McCann: AN ACT relating to automotive safety.

SB 237, by Senator McCann: AN ACT relating to elections.

SB 238, by Senator Edwards: AN ACT relating to the issuance of checks for salaries and changes in the payroll system.

SB 239, by Senator Donald Johnson: AN ACT relating to resident owners or operators of motor vehicles who leave the state after being involved in an accident.

SB 240, by Senator Donald Johnson: AN ACT relating to stenographic reporters.

SB 241, by Senator Donald Johnson: AN ACT providing for county and city nursing homes and houses for the elderly.

SB 242, by Senator McCann: AN ACT relating to a state sweepstakes.

SB 243, by Senators Gardner, Cobb and Derickson: AN ACT relating to city and county electrical inspectors.

Motions, Petitions and Communications

Senator Duffy moved, seconded by Senator Garrett, that the vote by which **SB 95** was defeated on March 5 be reconsidered.

Senators Duffy and Garrett requested a roll call on said motion.

On the roll call the vote was yeas 13—Billington, Buckman, Duffy, Edwards, Garrett, Gay, D. Johnson, Layne, Mann, McCann, McGinty, Van Hoose, Ware. Nays 9—Duncan, Engle, Fuqua, Howard, F. Johnson, Kelly, Kinkead, Swope, Turner.

The motion to reconsider the vote by which **SB 95** was defeated was rejected.

Report of Committee

Committee on Rules reported **HB 46, SB 211, SB 165, SR 38, SB 229, SB 234, SB 207, SB 232, SB 233, SB 230, SB 196, SB 197, SB 199, SB 201, HB 312, SB 152, SB 215, SB 225, HB 237, SR 32, SB 231** with the expression of opinion that same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 46, AN ACT relating to Fish and Wildlife Resources.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 150.330 is amended to read:

(1) No person shall take any wild birds except during the open season prescribed by the department for the particular species.

[The open season for quail may be between November 1, and February 1 only, and shall not exceed a total of sixty days, consecutive or otherwise. The open season for ruffed grouse or native pheasant may be between November 1 and February 1 only, but shall not exceed a total of sixty days, consecutive or otherwise.]

There shall be no open season for wild turkey, exotic pheasants or chukar partridge until the commissioner, with the approval of the commission, finds the conditions and population warrant it. Then regulations shall be enacted to govern same. No person shall take quail, ruffed grouse or native pheasant except from sunrise to sunset.

(2) No person shall take, pursue, possess, transport, purchase or sell or attempt to do so, any migratory birds, except as authorized by the Migratory Bird Treaty Act (40 Stat. 755) and regulations under it.

(3) No person over sixteen years of age shall hunt any wild ducks, geese or brant unless, at the time, in addition to the appropriate state hunting license, he has on his person a valid Migratory Bird Hunting Stamp of current issue as required by the Migratory Bird Hunting Stamp Act (48 Stat. 451) as amended.

Section 2. KRS 150.370 is amended to read:

(1) No person shall take any wild animal protected by this chapter except during the open season for the particular species as prescribed by the department. [The open season for rabbits may be between November 1 and February 1 only, but shall not exceed a

total of sixty days, consecutive or otherwise. The open season for mink, opossum, racoon, skunk, muskrat and red fox may be between November 1 and February 15 only, but shall not exceed a total of sixty days, consecutive or otherwise, except that the department may allow an additional thirty days in which opossum and racoon may be hunted and taken by dog only. The open season for squirrel may be between August 1 and January 1 only, but shall not exceed a total of ninety days, consecutive or otherwise.] The open season for pond, bull or jumbo frogs shall be such period as the department may prescribe. There shall be no open season for otter or beaver.

(2) Subsection (1) of this section shall not apply to persons who hunt red fox at night with dogs for sport and not to kill; but this exception in favor of sportsmen shall not extend to anyone engaged in the business of a fur dealer or a trapper or a professional hunter.

(3) The possession of any wild animals, fur bearers, or the raw fur thereof, when the season is not open for the particular species shall be prima facie evidence that the animal was taken out of open season, but this presumption shall not apply to possession of any such animal or fur by a trapper during the open season as prescribed by the department and fifteen days thereafter, or by a fur buyer during the open season and twenty days thereafter.

SB 211, AN ACT relating to restrictions on sale of alcoholic beverages.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

KRS 244.320 is hereby repealed.

SB 165, AN ACT relating to prisoners.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 432.500 is amended to read:

Any person who interferes with or interrupts the work of any convict who has been sent to any state penal institution and is employed outside the walls of the institution, or who gives or attempts to give, or sells or attempts to sell, to any convict whether he be employed outside the walls of the institution or confined within, *or to any person confined in a county jail*, any opium, cocaine or other narcotic or any intoxicating liquor, or firearm, weapon or explosive, except explosives used in line of duty, shall be confined in the penitentiary for not less than one nor more than five years. Any officer or guard of any state prison *or county jail* or any superintendent of any work being carried on by such *prisoner* [convicts] may arrest, without a warrant, any person violating this section. But, this section shall not prevent any physician in the practice of his profession from prescribing and delivering to any convict *or prisoner* opium, cocaine or other narcotic, or intoxicating liquor, when he considers it necessary, if it is furnished with the consent of the person having charge of the convict.

SR 38, A CONCURRENT RESOLUTION relating to constitutional revision.

WHEREAS, it is within the power of the General Assembly to enact proposals for not more than two amendments to the constitution of the Commonwealth of Kentucky; and

WHEREAS, in the past, generally speaking, each regular session has ordered two such amendments submitted to the electorate for ratification or rejection at the following election at which members of the General Assembly are elected; and

WHEREAS, in response to the present need to modernize the constitution of the Commonwealth of Kentucky, there is now sitting the Constitution Revision Assembly, same being an arm of Legislative Research Commission as created by House Bill 39 of the 1964 Regular Session; and

WHEREAS, it cannot reliably be determined before sine die adjournment of the 1964 regular session:

A. Whether the Constitution Revision Assembly will recommend guidelines to a constitutional convention to be called pursuant to Sections 258, 259, 260, 261, 262, and 263 of the Constitution now in effect, or

B. Whether the Constitution Revision Assembly will recommend that its proposed changes be made to the present constitution as an amendment to the whole, or any part or parts thereof; and

NOW, THEREFORE,

Be it resolved by the Senate of the Commonwealth of Kentucky, the House of Representatives concurring therein:

First: It shall be the public policy of the Commonwealth of Kentucky to encourage the Constitution Revision Assembly to deliberate upon constitutional reform without hindrance and to afford the assembly the unimpeded opportunity to recommend whatever method is deems best to the end that the results of the assembly will be submitted to the electorate for ratification or rejection.

Second: In recognition of the possibility that the Constitution Revision Assembly may recommend that the 1964 session of the General Assembly in called session propose revision of the present constitution in the form of an amendment to the whole, or to any part or parts thereof, it is declared to be the policy of the 1964 regular session of the General Assembly that no amendment to the present constitution be proposed for submission at this session of the General Assembly which adjourns sine die on March 20, 1964.

SB 229, AN ACT providing for the taking of the sense of the people of the Commonwealth of Kentucky as to the necessity and expediency of calling a Convention for the purpose of revising or amending the Constitution of the Commonwealth, and such amendments as may have been made to the same, as provided by Section 258 of said Constitution.

WHEREAS, there have been great and many changes in the government of the people of this Commonwealth since the adoption of the present Constitution of the Commonwealth of Kentucky in 1891, and

WHEREAS, in response to an urgent need for a study and revision of said Constitution, the 1964 General Assembly of Kentucky has heretofore enacted into law House Bill No. 39, AN ACT amending KRS 7.170 creating the Constitution Revision Assembly, and

WHEREAS, it is the function of said Constitution Revision Assembly to carry on a program of study, review, examination and exposition of the Constitution of Kentucky and to prepare and propose in detail such drafts, amendments, or revisions of the Constitution as will promote the interest and welfare of the Commonwealth, and

WHEREAS, said Constitution Revision Assembly has been duly appointed and has heretofore convened on February 17, 1964, and reports of said assembly will be available for Convention consideration before the preliminary steps prescribed in the present Constitution for calling a Convention can be accomplished,

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

(1) The sense of the people of the Commonwealth as to the necessity and expediency of calling a Convention for the purpose of revising or amending the Constitution of the Commonwealth of Kentucky, and such amendments as may have been made to the same, shall be taken as herein provided and as provided by Section 258 of said Constitution.

(2) Upon the passage of this Act by a majority of all members elected to each house of the present General Assembly, that is when a majority of all the members of each house shall concur, by a yea

and nay vote, to be entered upon their respective journals, this Act shall be spread upon the respctive journals of each House as a law.

(3) If the next session of the General Assembly shall, in like manner, concur in this Act after it becomes a law as herein provided, the General Assembly shall provide for having a poll opened in each voting precinct in this State by the officers provided by law for holding general elections at the next ensuing regular election to be held for State officers or members of the House of Representatives, which does not occur within ninety days from the final passage of such law, at which time and place the votes of the qualified voters shall be taken for and against calling the Convention, in the same manner provided by law for taking votes in other State elections. The vote for and against said proposition shall be certified to the Secretary of State by the same officers and in the same manner as in State elections. If it shall appear that a majority voting on the proposition is for calling a Convention, and if the total number of votes for the calling of the Convention is equal to one-fourth of the number of qualified voters who voted at the last preceding general election in this State, the Secretary of State shall certify the same to the General Assembly at its next regular session, at which session a law shall be enacted calling a Convention to readopt, revise or amend the present Constitution of this State, and such amendments as may have been made thereto.

(4) Before any Constitution agreed upon by said Convention shall take effect or become operative, said Constitution shall be submitted to the qualified voters of this Commonwealth, after at least ninety days' notice, for ratification or rejection by a majority of those voting.

SB 234, AN ACT relating to science and technology.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 152.220 is amended to read as follows:

The board member from Kentucky shall be the *Chairman of the Kentucky Science and Technology Commission* [Chairman of the Advisory Committee on Nuclear Energy.], when approved by the Governor; otherwise, the Governor shall appoint the member. The member may name [the director of the division of Nuclear information, or] *an*other person as his *alternate* [deputy] or assistant.

Section 2. KRS 152.510 is amended to read as follows:

(1) The statement of [the] public policy of the Commonwealth relative to participation in the development and utilization of atomic energy for peaceful purposes to the maximum extent consistent with

the common defense and security and with the health and safety of the public, as enacted in Chapter 146, 1958 Acts of the General Assembly, and later amendatory Acts, is hereby re-affirmed; and KRS 152.510 to 152.700 are declared to be supplemental thereto rather than in derogation thereof.

(2) In recognition of changed and changing conditions in the expansion, growth and development of utilization of atomic energy, *science and technology* [and by-products thereof,] for peaceful purposes in *space,* medicine, generation of power, commerce, industry, *research, agriculture* and other fields of increasing number *and importance,* it is declared that *the* [such] public policy of the Commonwealth now requires implementation in such manner as will enable the Commonwealth to discharge new responsibilities in *the stimulation of scientific and technological advances and applications, and in the* licensing and safeguarding the storage, use, processing and reprocessing of radioactive materials, and in providing for permanent burial or other disposal of radioactive materials, and to develop new opportunities in the promotion and advancement of uses of atomic energy by encouraging and assisting the establishment or location of industrial plants *and scientific and technological facilities* in the Commonwealth, subject to proper protection of the public health and safety, thus promoting the general welfare by providing new opportunities for gainful employment.

(3) *It is recognized that the ability of the Commonwealth to meet these obligations depends on both the qualitative and quantitative enhancement of the excellence of all forms of education, research and training at all levels.*

Section 2. KRS 152.520 is amended to read as follows:

It is the purpose of KRS 152.510 to 152.700 to implement the public policy of the Commonwealth as set forth in KRS 152.510 by creating *the Kentucky Science and Technology Commission,* [The Kentucky Atomic Energy Authority,] a corporate agency and instrumentality of the Commonwealth, to act in the establishment of certain facilities which must necessarily be owned and controlled by a sovereign state, and to provide sites suitable for the establishment and development of facilities by governmental bodies and private enterprise, to finance or provide financial assistance in connection therewith, to determine the location and use thereof, and to assist in the coordination of *the* activities and functions of *the various* departments, *boards,* commissions and [other] agencies and instrumentalities of the Commonwealth having lawful control or responsibilities in *the* various aspects of [the whole subject of] atomic energy, *science and technology* [and the uses thereof].

Section 3. KRS 152.530 is amended to read as follows:

As used in KRS 152.510 to 152.700, unless the context clearly indicates otherwise:

(1) "Atomic energy" means all forms of energy released in the course of nuclear fission, nuclear fusion, or other nuclear transformation;

(2) ["Atomic Energy Commission" means the Atomic Energy Commission of the United States or any successor thereto in the exercise of the authority and functions thereof;

(3)] *"Commission"* ["Authority"] means the Kentucky *Science and Technology Commission* [Atomic Energy Authority] created and established by KRS 152.510 to 152.700;

(3) [(4) "Executive" "Directors" means the person holding the position of that title by appointment of the *Commission* [authority] from time to time;

[(5) "Revenue bonds" means the revenue bonds which the authority is authorized in KRS 152.510 to 152.700 to issue in furtherance of the lawful and proper functions and powers of the authority, and which do not constitute an indebtedness of the Commonwealth within the meaning of debt-limiting provisions of the present Constitution of the Commonwealth, but are payable as to principal and interest solely from one or more special funds, and from revenues to be derived by the authority and pledged to be paid into any such special fund from the activities and operations which the authority is empowered to acquire;

(6)] *(4)* "Governmental agency" means the Commonwealth, the United States or any state thereof, any foreign goverment (unless such foreign government be one with which nuclear transactions are forbidden by law or regulation of the *United States* Atomic Energy Commission) or any division, department or licensed agency or instrumentality of any of them, including agencies and instrumentalities in corporate form, whether created by legislative enactment or organized as nonprofit corporations under general corporation laws for the purpose of serving as agencies or instrumentalities of either of them;

(5) [(7)] "Private enterprise" means any person who is not an officer, agent or employe of the United States or of the government of any state or territory of the United States or of any foreign government; and any firm, co-partnership, association, foundation, *trust* or corporation which is not a governmental agency, whether or not operated for monetary profit;

(6) [(8)] "Project", without other descriptive designation, means any undertaking of the [authority] *Commission* in furtherance of its lawful objectives and purposes, whether alone or by agreement

with any governmental agency or with private enterprise, such as, but not limited to *scientific and technological facilities or programs,* nuclear power stations, nuclear testing reactors, plants for chemical or metallurgical processing of source and special nuclear materials, plants for chemical processing of irradiated nuclear material and plants for the separation of isotopes of uranium and plutonium, and includes supporting *or* [and] related projects. ,

Section 4. KRS 152.540 is amended to read as follows:

(1) The Governor, [the Lieutenant Governor,] the Commissioner of *Commerce* [Economic Development], the Commissioner of Health, *the Superintendent of Public Instruction,* [the Attorney General] *the President of the University of Kentucky* and their respective successors in office, and *ten* [five] citizens appointed by the Governor, shall be a body corporate and politic constituting a public corporation and governmental agency and instrumentality of the Commonwealth by the name of ["The Kentucky Atomic Energy Authority,"] *"The Kentucky Science and Technology Commission,"* with perpetual succession and with power in that name to contract and be contracted with, sue and be sued, have and use a corporate seal, adopt by-laws for the governing of its affairs and amend them at will, and to exercise, in addition to the powers and functions specifically stated in KRS 152.510 to 152.700, all of the usual powers of private corporations to the extent that the same are not inconsistent with specifically enumerated powers.

(2) The *ten* [five] citizen members shall be appointed for terms of four years, their initial appointments, however, being *one for a term* [two for terms] of one year, [and] *two for terms of two years each, three for terms of three years each, and four for terms of four years each, from the effective date of this act.* [one each for terms of two, three and four years from March 14, 1962] At least one of the members so appointed shall be a nominee of Kentucky Spindletop Research Center, Incorporated, who shall be chosen by the Governor from a list of three names to be submitted to him by that organization. All appointments to fill vacancies shall be for the unexpired term only. *Except as otherwise provided herein,* no member appointed under this subsection shall be removed from office except for good cause shown and entered on the Executive Journal.

(3) [The Governor] *There* shall be [the] *a* chairman of the [authority] *Commission as hereinafter provided* [and the Lieutenant Governor shall be vice-chairman, by virtue of their respective offices]. *The chairman shall appoint a vice-chairman from among the members to serve at the pleasure of the chairman.* The members shall elect from among their number a secretary and a treasurer; or may determine by resolution that the [executive] Director [referred to in KRS 152.510 to 152.700] shall hold either or both of such offices. The

duties of the officers shall be as prescribed in the by-laws. The members of the [authority] *Commission* shall name an Executive Committee of [three] *five* members to which power to act for the [authority] *Commission* may be delegated subject to such limitations as may be established in the by-laws.

(4) The members of the [authority] *Commission* shall receive no compensation for their services in that capacity, but shall be entitled to reimbursement for all reasonable expenses necessarily incurred in connection with performance of their duties and functions as such members.

(5) [Six] *Eight* members of the [authority] *Commission* shall constitute a quorum for the transaction of business, and in the absence of a quorum, one or more members may adjourn from time to time until a quorum is convened.

(6) The [authority] *Commission* shall met not less frequently than [quarterly] *three times a year,* and otherwise as often as may be necessary to the proper and timely performance of the functions and powers herein conferred upon it. In its by-laws, or by resolution spread at large upon its official minutes, the [authority] *Commission* may prescribe periodic meetings at stated times and places; and meetings held upon such stated occasions, including any adjournments thereof to reconvene at another time and place definitely set forth in the minutes, shall constitute regular meetings at which any business may be transacted without notice to the members. Special meetings may be called by the chairman, *by the vice-chairman in his absence,* or by any [three] five members, and notice of the time, place and business to be transacted thereat shall be given to the members at such time and in such manner as may be prescribed in the by-laws. Members may waive notice of any meeting orally or in writing, before, at or after the meeting; and the presence of a member at any meeting shall constitute a waiver of notice on his part unless he makes specific objection on the ground of want of proper notice.

(7) The [authority] *chairman* may appoint one or more advisory committees, [consisting of not more than seven members each] *to consist of such membership as he may deem appropriate with the advice of the Commission,* to consider and advise the [authority] *Commission* upon all matters submitted to them [by the authority]. Members of advisory committees shall serve without salary for such terms not to exceed four years, as the [authority] *chairman* may determine, and shall [be entitled to] *receive such* reimbursment for their actual and necessary expenses incurred in the performance of their official duties[.] , *as may be approved by the Executive Committee.*

(8) Three successive unexcused absences of a citizen member from meetings shall constitute automatic vacation of his office.

Section 5. KRS 152.550 is amended to read as follows:

(1) The chief executive officer of the [authority] *Commission* shall be its [executive] *chairman* [director], who shall be a person *selected from among the ten citizen members of the Commission and* determine in the discretion of the [authority] *Commission* to possess adequate qualifications in *the* technical, legal or administrative aspects of atomic energy, *science or technology,* who shall be employed by resolution of the [authority] *Commission,* perform such services and exercise such powers as may be prescribed by the [authority] *Commission* and shall serve at the pleasure of the [authority] *Commission.* His compensation shall be fixed by the [authority] *Commission,* and in addition thereto he shall be allowed travel, subsistence and other proper expenses incurred in the performance of his duties as may be provided from time to time for other employes of the Commonwealth. [He may by resolution be elected or appointed to serve as the secretary or treasurer of the authority, or both.]

(2) The chief administrator of the Commission shall be the Director, who shall be a person determined in the discretion of the Commission to possess adequate qualifications in the administrative, legal or technical aspects of atomic energy, science or technology, who shall be employed by resolution of the Commission, perform such services and exercise such powers as may be prescribed by the Commission and shall serve at the pleasure of the Commission. His compensation shall be fixed by the Commission, and in addition thereto he shall be allowed travel, subsistence and other proper expenses incurred in the performance of his duties as may be provided from time to time for other employes of the Commonwealth. He may by resolution be elected or appointed to serve as the secretary or treasurer of the Commission, or both. The Director shall also serve as Coordinator of Radiation Control and shall exercise and discharge the duties of that office as prescribed by law.

Section 6. KRS 152.560 is amended to read as follows:

The Attorney General shall be the legal [officer] *counsel* [of the authority] *to the Commission,* [but] *and* shall designate one or more qualified assistant attorneys general to serve as advisors to the *Commission, its Director, members and committees on a regular and continuing basis.* [authority, the executive director and other staff members, as occasion may arise.]

Section 7. KRS 152.570 is amended to read as follows:

The Commissioner of Health shall be the health and safety officer of the [authority] *Commission,* [but] *and* shall designate one or more qualified staff-members of the Department of Health to advise the [authority] *Commission, its director, members and committees on a regular and continuing basis.* [, the executive director and staff-members of the authority in such matters, as occasions may arise.]

Section 8. KRS 152.580 is amended to read as follows:

The [authority] *Commission* shall establish its principal office at Frankfort, and may establish branch or field offices wherever it may determine that expeditious performance of its functions may from time to time require.

Section 9. KRS 152.590 is amended to read as follows:

The *Commission* [authority] shall have the following general powers, in addition to specific powers enumerated in KRS 152.510 to 152.700:

(1) To acquire by purchase, [exercise of the right of eminent domain,] grant, gift, devise or otherwise, the fee simple title to or any acceptable lesser interest in any lands, and by lease or other contract the right to use and occupy any lands, selected in the discretion of the *Commission* [authority] as constituting necessary, desirable or acceptable sites for projects of the *Commission* [authority], including any and all lands adjacent to a project site as in the discretion of the *Commission* [authority] may be necessary or suitable for satellite projects or restricted areas; but in all instances lands which are to be designated as radioactive waste material sites shall be acquired in fee simple absolute and dedicated in perpetuity to such purpose;

(2) [Except in the cases of radioactive waste material sites, t] *To* convey to private enterprise, or to lease to private enterprise for such term as in the discretion of the *Commission* [authority] may be in the public interest, any lands so acquired, either for a fair and reasonable consideration or solely or partly as an inducement to the establishment of location in the Commonwealth of any atomic, *Scientific or technology* facility, satellite project or nuclear storage area; but subject to such restraints as may be deemed proper to bring about a reversion of title or termination of any lease in the event the grantee or lessee, as the case may be, shall cease to use the premises or facilities in the conduct of business or activities consistent with the purposes of KRS 152.510 to 152.700; *provided, however, radioactive waste material sites may be leased but may not otherwise be disposed of except to the Commonwealth, or to the United States;*

(3) To construct, reconstruct, maintain, repair, operate and regulate projects at such locations within the Commonwealth as may be determined by the *Commission* [authority];

(4) [To issue revenue bonds of the authority payable solely from the revenues, rentals, rates, charges and other funds, pledged for their payment, for the purpose of paying all or any part of the cost of any one or more projects, and to refund any of its bonds;

(5)] To fix by contract, or to establish and revise from time to time and charge and collect revenues, rentals, rates and charges for use of the services and facilities of projects;

(5) [(6)] To combine for financing purposes any two or more projects;

(6) [(7)] To establish and enforce rules and regulations for the use of any project;

(7) [(8)] Without reference to KRS Chapter 56, to acquire and hold in the name of the *Commission* [authority] real and personal property in the exercise of its powers and the performance of its functions and duties under KRS 152.510 to 152.700, and to dispose of the same with due regard for public health and safety, except in the cases of radioactive waste material sites, which may be disposed of only to the Commonwealth itself, or to the United States[;] *, except as provided in subsection (2);*

(8) [(9)] To designate the locations and establish, limit and control such points of ingress to and egress from each project as the *Commission* [authority] may determine to be necessary or desirable to insure the proper operation and maintenance of such project, and to prohibit entrance to such project from any point or points not so designated;

(9) [(10)] To make and enter into such contracts and agreements with governmental agencies and private enterprise as may be necessary or incidental to the performance of its duties and the execution of its powers under KRS 152.510 to 152.700;

(10) [(11)] To employ scientists, consulting engineers, health officers, attorneys, accountants, construction and financial experts, superintendents, managers and such other employes and agents as may be necessary in the judgment of the *Commission* [authority], and to fix their compensation;

(11) To maintain a continuing review and study of policies and programs of all governmental agencies and private enterprise in atomic energy, science and technology and related fields, and to enlist the cooperation of state departments, commissions, agencies and boards in carrying out this function;

(12) To receive and accept from any governmental agency, or from private enterprise *appropriations,* grants [for or in aid of any project,] *or contributions* in money, property, labor or other things of value, to be held, used and applied *for or in aid of any project;* [only for the purposes for which such grants and contributions may be made;]

(13) To expend any funds provided under the authority of KRS 152.510 to 152.700:

(a) to be used as grants to any governmental agency or private enterprise for nuclear, scientific or technological education, training, research and development, or related projects, and for investigation of potential applications thereof, either with or without federal funds;

(b) to provide scholarships and graduate fellowships in the nuclear, mathematical, physical, medical, biological, engineering and other sciences, either with or without federal funds;

(c) to publicize the facilities and services of a project or projects to governmental agencies and private enterprise; and

(14) To do all acts and things necessary or convenient to carry out the powers expressly granted in KRS 152.510 to 152.700.

Section 10. KRS 152.690 is amended to read as follows:

(1) It is recognized by the General Assembly that any site used as a radioactive waste material site will represent a continuing and perpetual responsibility in the interest of the public health, safety and general welfare, and that the same must ultimately be reposed in a sovereign government without regard for the existence or non-existence of any particular agency, instrumentality, department, division or officer thereof.

(2) In the event the *Commission* [authority] shall acquire and dedicate one or more radioactive waste material sites, the *Commission* [authority]may convey such sites to the Commonwealth for no other consideration than an undertaking of the Commonwealth to maintain, safeguard and operate the same in the interests of the public health, safety and welfare. Any such conveyance may contain an express provision that the Commonwealth thereby assumes such continuing and perpetual responsibility, and the Commissioner of Health, or other officer succeeding to his functions, is hereby authorized to sign the same and bind the Commonwealth in that regard; and any such conveyance may be made subject to any existing contractual rights of licensees using source, by-product and special nuclear materials to make use of the site or sites in the disposition of radioactive waste materials.

Section 11. KRS 152.700 is amended to read as follows:

The General Assembly hereby takes notice of, and finds as a legislative determination of fact, that until such time as the General Assembly may take notice of and find as a legislative determination of fact to the contrary, the development, promotion and implementation of activities and projects in the field of atomic energy require special expertise which is not common or currently available to general construction contractors or operators or operating private enterprise; and that by reason thereof it is in the public interest and in pursuance of sound public policy of the Commonwealth that the

Commission [authority] not be restricted to awarding contracts for the construction, installation or operation of such projects as are authorized by KRS 152.510 to 152.700 by public award on the basis of competition after such public advertisement or solicitation as may otherwise be required by general laws. Accordingly, the *Commission* [authority] is specifically empowered in the public interest (a) without advertising or other public solicitation to negotiate and enter into contracts, agreements or leases with federal or state governmental agencies or private enterprise duly licensed according to laws and prevailing regulations for the initiation and operation of any project, and (b) without advertising or other public solicitation to negotiate and enter into contracts for the construction and installation of any structures, buildings, installations and appurtenances necessary or incidental to the same or any part thereof.

Section 12. The Kentucky Science and Technology Commission shall be the legal successor to the Kentucky Atomic Energy and Space Authority and to the Kentucky Advisory Committee on Nuclear Energy and Space.

Section 13. KRS 152.140 and 152.670 are hereby repealed.

SB 207, AN ACT relating to the Industrial Development Finance Authority.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 154.020 is amended to read:

(1) There shall be an Industrial Development Finance Authority in the state government which shall be an agency independent of the executive branch, *shall not be attached to any administrative department, but which shall operate in close cooperation with the Kentucky Economic Development Commission.*

(2) The authority shall consist of *the Chairman of the Economic Development Commission,* the Commissioner of Banking *and Securities,* the Commissioner of *Commerce* [Economic Development], the Commissioner of Economic Security, and the Commissioner of Finance, *three members appointed by the Governor from the Economic Development Commission,* and *three* [five] additional members appointed by the Governor, one each to be appointed from lists of nominees submitted by the Kentucky State Bankers Association and the Kentucky Chamber of Commerce, and a third to be a Kentucky member in good standing of the National Association of Securities Dealers. [and two from the public at large.] The chairman shall be *the chairman of the Economic Development Commission* [elected by the members from among the nonexofficio members of the authority].

(3) Two members initially appointed by the Governor shall be appointed for terms of one year and *two* [one] members [each] for two, *one each for* three and four years, respectively, from the date of their appointment and until their respective successors shall be duly appointed and qualified, the term of each appointed member to be designated by the Governor at the time of his appointment. Their successors shall each be appointed for a term of four years, except that any person appointed to fill a vacancy shall serve only for the unexpired term. Any appointed member of the authority shall be eligible for reappointment.

(4) Members of the authority shall be entitled to no compensation for their services as members, but shall be entitled to reimbursement for all necessary expenses incurred in connection with the performance of their duties as members.

Section 2. KRS 154.143 is amended to read:

(1) The authority may lend money to a local development agency or other applicant that qualifies for federal assistance under the federal Area Redevelopment Act (Public Law 87-27) *and assistance from other federal agencies.* The limits on the amount the authority may lend under this section are the same as those set out in KRS 154.080 and 154.110, however, the requirements of KRS 154.090 and 154.120 do not apply to loans made under this section.

(2) The authority may require a loan made under this section to be secured; of so, the security may be subordinate to that which secures federal assistance received on the same project.

(3) With respect to loans made under this section the authority shall promulgate reasonable regulations:

(a) Governing the form and content of applications for loans;

(b) Setting the rate of interest and other terms of loans.

SB 232, AN ACT relating to the University of Kentucky.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

That Section 164.220 of the Kentucky Revised Statutes is hereby amended to read as follows:

(1) The Board of Trustees may appoint a president, professors, assistants, tutors and other personnel and determine the compensation, duties and official relations of each. In the appointment of presidents, professors or instructors no preference shall be shown to any religious denomination.

[The Board of Trustees shall provide a definite salary for all positions created and filled by the board, and there shall be no additions thereto in the form of fees, perquisites or emoluments of any kind.]

(2) The Board of Trustees shall provide the compensation for all positions created and filled by the board. In addition thereto the board may provide for employee retirement benefits and such other employee benefits as are related to the respective employments and services rendered.

(3) The Board of Trustees may establish and maintain such retirement plan or plans as it may deem to be for the best interests of the University of Kentucky, including, but without limitation the retirement ages, the benefits of such employees including group insurance, annuities, establishments of a trust fund or funds; and, the amounts to be paid or contributed by such employees and the amounts to be paid or contributed by the University of Kentucky and other appropriate terms and provisions with respect thereto.

SB 233, AN ACT relating to ionizing radiation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. It is the policy of the Commonwealth of Kentucky in furtherance of its responsibility to protect the public health and safety:

(1) to institute and maintain a regulatory program for sources of ionizing radiation so as to provide for (a) compatibility with the standards and regulatory programs of the federal government; (b) an integrated effective system of regulation within the state; and (c) a system consonant insofar as possible with those of other states; and

(2) to institute and maintain a program to permit development and utilization of sources of ionizing radiation for peaceful purposes consistent with the health and safety of the public.

Section 2. It is the intention of the General Assembly to effectuate the policies set forth in Section 1 of this Act by providing for:

(1) a program of effective regulation of sources of ionizing radiation for the protection of the public health and safety;

(2) a program to promote an orderly regulatory pattern within the state, among the states and between the federal government and the state, and facilitate intergovernmental cooperation with respect to use and regulation of sources of ionizing radiation to the end that duplication of regulation may be minimized;

(3) a program to establish procedures for assumption and performance of certain regulatory responsibilities with respect to by-product, source and special nuclear materials; and

(4) a program to permit maximum utilization of sources of ionizing radiation consistent with the health and safety of the public.

Section 3. As used in this Act, unless the context otherwise requires:

(1) "Byproduct material" mean any radioactive material, except special nuclear material, yielded in or made radioactive by exposure to the radiation incident to the process of producing or utilizing special nuclear material.

(2) "Source material" means (a) uranium, thorium, or any other material which the Governor declares by order to be source material after the United States Atomic Energy Commission, or any successor thereto, has determined the material to be such; or (b) ores which contain by weight one-twentieth of one percent or more of the foregoing materials, in such concentration as the Governor declares by order to be source material after the United States Atomic Energy Commission, or any successor thereto, has determined the material in such concentration to be source material;

(3) "Special nuclear material" means (a) plutonium, uranium 233, uranium enriched in the isotope 233 or in the isotope 235, any other material which the Governor declares by order to be special nuclear material after the United States Atomic Energy Commission, or any successor thereto, has determined the material to be such, but does not include source material; or (b) any material artificially enriched by any one of the foregoing, but does not include source material;

(4) "Ionizing radiation" means gamma rays and X-rays, alpha and beta particles, high-speed electrons, neutrons, protons, and other nuclear particles, but not sound or radio waves, or visible, infrared, or ultraviolet light;

(5) "General license" means a license effective pursuant to regulations promulgated by the Kentucky State Board of Health without the filing of an application to transfer, acquire, own, possess, or use quantities of, or devices or equipment utilizing byproduct, source, special nuclear materials, or other radioactive material occurring naturally or produced artificially.

(6) "Specific license" means a license, issued after application, to use, manufacture, produce, transfer, receive, acquire, own, or possess quantities of, or devices or equipment utilizing byproduct, source, special nuclear materials, or other radio active material occurring naturally or produced artificially.

(7) "Person" means any individual, corporation, partnership, firm, association, trust, estate, public or private institution, group,

agency, political subdivision of this state, any other state or political subdivision or agency thereof, and any legal successor, representative, agent, or agency of the foregoing, other than the United States Atomic Energy Commisison, or any successor thereto, and other than federal government agencies licensed by the United States Atomic Energy Commission, or any successor thereto;

(8) "Department" means the Kentucky State Department of Health;

(9) "Board" means the Kentucky State Board of Health;

(10) "Commission" means the Kentucky Science and Technology Commission;

(11) "Coordinator" means the Coordinator of Radiation Control.

Section 4. (1) The Director of the Kentucky Science and Technology Commission shall also serve as Coordinator of Radiation Control in order:

(a) to advise the Governor and agencies of the state on matters relating to ionizing radiation;

(b) to coordinate development and regulatory activities of the state relating to ionizing radiation, including cooperation with other states and the federal government.

(2) The Coordinator shall:

(a) Review, before and after the holding of any public hearing required under the provisions of this Act prior to promulgation, the proposed rules and regulations of all agencies of the state relating to use and control of ionizing radiation, to assure that such rules and regulations are consistent with rules and regulations of other agencies of the state. Proposed rules and regulations shall not be effective until ninety days after submission to the Coordinator, unless either the Governor or the Coordinator waives all or part of such ninety day period;

(b) When he determines that proposed rules or regulations or parts thereof are inconsistent with rules and regulations of other agencies of the state, consult with the members of the Commission in an effort to resolve such inconsistency. Upon notification by the Coordinator that such inconsistency has not been resolved the Governor may, after consultation with the Commission, find that the proposed rules and regulations or parts thereof are inconsistent with rules and regulations of other agencies of the state and may issue an order to that effect in which event the proposed rules and regulations or parts thereof shall not become effective. The Governor may, in the alternative, upon a similar determination, direct the appropriate agency to amend or repeal existing rules and regulations to achieve consistency with the proposed rules and regulations;

(c) Advise, consult, and cooperate with other agencies of the state, the federal government, other states and interstate agencies, political subdivisions, and with groups concerned with control of ionizing radiation;

(d) Collect and disseminate information relating to ionizing radiation; and

(e) Based upon current information provided by agencies of the state:

(i) Maintain a file of all license applications, issuances, denials, amendments, transfers, renewals, modifications, suspensions and revocations;

ii( ) Maintain a file of registrants possessing sources of ionizing radiation requiring registration under the provisions of this Act and any administrative or judicial action, pertaining thereto; and

(iii) Maintain a file of all rules and regulations relating to regulation of sources of ionizing radiation, pending or promulgated, and proceedings thereon.

(3) The several agencies of the state and political subdivisions shall keep the Coordinator fully and currently informed as to their activities relating to development and regulation of sources of ionizing radiation.

Section 5. (1) The Kentucky State Board of Health shall adopt rules and regulations for the regulation and control of byproduct, source and special nuclear materials or devices or equipment utilizing such materials. The Board shall also provide rules and regulations for general or specific licensing of byproduct, source, special nuclear materials, or devices or equipment utilizing such materials. Such rules and regulations shall also provide for amendment, suspension or revocation of licenses. Among other things, such rules and regulations shall provide that:

(a) Each application for a specific license shall be in writing and shall state such information as the Department by rule or regulation, may determine to be necessary to decide the technical, insurance and financial qualifications or any other qualification of the applicant as the Department may deem reasonable and necessary to protect the public health and safety. The Department may at any time after the filing of the application, and before the expiration of the license, require further written statements and may make such inspections as the Department may deem necessary in order to determine whether the license should be granted or denied or whether the license should be modified, suspended or revoked. All applications and statements shall be signed by the applicant or licensee. The Department may require any applications or statements to be made under oath or affirmation;

(b) Each license shall be in such form and contain such terms and conditions as the Department may by rule or regulation prescribe;

(c) No license issued under the authority of this Act and no right to possess or utilize sources of ionizing radiation granted by any license shall be assigned or in any manner disposed of; and

(d) The terms and conditions of all licenses shall be subject to amendment, revision, or modification by rules, regulations or orders issued in accordance with the provisions of this Act.

(2) The Board shall adopt rules and regulations for the regulation, control, and registration or licensing of all other sources of ionizing radiation including X-ray machines and devices.

(3) The Department is authorized to exempt certain sources of ionizing radiation or kinds of uses or users from the licensing or registration requirements set forth in this section when the Department makes a finding that the exemption of such sources of ionizing radiation or kinds of uses or users will not constitute a significant risk to the health and safety of the public.

(4) Rules and regulations promulgated pursuant to this Act may provide for recognition of other state or federal licenses as the Department shall deem desirable, subject to such registration requirements as the Department may prescribe.

(5) All other state departments, boards, commissions, and agencies are hereby authorized to adopt rules and regulations relating to the regulation and control of sources of ionizing radiation which are within their jurisdiction of responsibility.

Section 6. The Department or its duly authorized representative shall have the power to enter at all reasonable times upon any private or public property for the purpose of determining whether or not there is compliance with or violation of the provisions of this Act and rules and regulations issued thereunder, except that entry into areas under the jurisdiction of the federal government shall be effected only with the concurrence of the federal government or its duly authorized representative.

Section 7. (1) The Department shall require each person who possesses or uses a source of ionizing radiation to maintain records relating to its receipt, storage, transfer or disposal and such other records as the Department may require subject to such exemptions as may be provided by rules and regulations.

(2) The Department shall require each person who possesses or uses a source of ionizing radiation to maintain appropriate records showing the radiation exposure of all individuals for whom personnel monitoring is required by rules and regulations of the Board. Copies of these records and those required to be kept by subsection (1) of this section shall be submitted to the Department on request.

Section 8. KRS 152.115 is amended to read as follows:

The Governor of the Commonwealth shall have power and authority to enter into agreement with the United States Atomic Energy Commission or other appropriate federal agency or Authority regarding *regulation and development of sources of ionizing radiation and the assumption thereof by the state.* [any matter the subject of KRS 152.105 to 152.190.]

Section 9. (1) The Department and the Commission are authorized to enter into, subject to the approval of the Governor, an agreement or agreements with the federal government, other states or interstate agencies, whereby this state will perform on a cooperative basis with the federal government, other states or interstate agencies, inspections or other functions relating to control of sources of ionizing radiation.

(2) The Department or the Commission may institute training programs for the purpose of qualifying personnel to carry out the provisions of this Act, and may make said personnel available for participation in any program or programs of the federal government, other states or interstate agencies in furtherance of the purposes of this Act.

Section 10. Ordinances, resolutions, or regulations of any political subdivision of the Commonwealth, including but not limited to planning and zoning regulations or requirements, now in effect or hereafter adopted by any such subdivision, relating to sources of ionizing radiation shall not be superseded by this Act; provided, however, that such ordinances, resolutions, regulations or planning and zoning regulations or requirements are approved by the Department insofar as they pertain to the public health and safety.

Section 11. (1) In any proceeding under this Act:

(a) for the issuance or modification of rules and regulations relating to control of sources of ionizing radiation; or

(b) for granting, suspending, revoking, or amending any license; or

(c) for determining compliance with or granting exceptions from rules and regulations of the Department, said Department shall afford an opportunity for a hearing on the record upon the request of any person whose interest may be affected by the proceeding, and shall admit any such person as a party to such proceeding.

(2) Whenever the Department finds that an emergency exists requiring immediate action to protect the public health and safety, it may, without notice or hearing, issue a regulation or order reciting the existence of such emergency and requiring that such action be taken as is necessary to meet the emergency. Notwithstanding any

provision of this Act, such regulation or order shall be effective immediately. Any person to whom such regulation or order is directed shall comply therewith immediately, but on application to the Department shall be afforded a hearing within thirty days. On the basis of such hearing, the emergency regulation or order shall be continued, modified or revoked within thirty days after such hearing.

(3) Any final order entered in any proceeding under subsection (1) and (2) of this section shall be subject to judicial review by the Franklin Circuit Court.

Section 12. Whenever, in the judgment of the Department, any person has engaged in or is about to engage in any acts or practices which constitute or will constitute a violation of any provision of this Act, or any rule, regulation or order issued thereunder, the Attorney General may make application to the Franklin Circuit Court for an injunction enjoining such acts or practices, or for an order directing compliance with the order of the Department. In any such action any order of the Department shall be prima facie evidence of the fact or facts found therein.

Section 13. It shall be unlawful for any person to use, manufacture, produce, transport, transfer, receive, acquire, own or possess any source of ionizing radiation unless licensed by or registered with the Department in accordance with the provisions of this Act.

Section 14. The Department shall have the authority in the event of an emergency to impound or order the impounding of sources of ionizing radiation, in the possession of any person who is not equipped to observe or fails to observe the provisions of this Act or any rules or regulations issued thereunder.

Section 15. Any person who violates any of the provisions of this Act, or any rule or regulation adopted hereunder, shall upon conviction thereof, be fined not less than one hundred dollars nor more than five thousand dollars, or imprisoned in the county jail not less than thirty days nor more than six months, or both fined and imprisoned. Each violation shall constitute a separate offense.

Section 16. If any provision of this Act or the application thereof to any person or circumstances is held invalid, the invalidity shall not affect other provisions or applications of the Act which can be given effect without the invalid provision or application, and to this end the provisions of this Act are severable.

Section 17. All radiological health regulations heretofore adopted by the State Board of Health and on file with the Legislative Research Commission in Frankfort, Kentucky, on the effective date of this Act shall remain in full force and effect until otherwise amended or repealed.

Section 18. Sections 152.110, 152.120, 152.125, 152.130, 152.150, 152.160, 152.170, 152.180 and 152.190 of the Kentucky Revised Statutes are hereby repealed.

SB 230, AN ACT relating to aviation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of the Kentucky Revised Statutes is created to read as follows:

No action shall be brought against any governmental unit for damages, noise abatement or otherwise, arising from the operation of aircraft into or out of an airport unless written notice is given to such governmental unit within twenty-four hours of the time within which each such operation occurred. Such notice shall state: (1) The location of the property affected; (2) The hour and minute such operation occurred; and (3) If known, the type of aircraft and general direction of its flight.

Section 2. Section 183.011 of the Kentucky Revised Statutes is amended to read as follows:

(1) "Aeronautics" means the science and art of flight and including, but not limited to transportation by aircraft; the operation, construction, repair or maintenance of aircraft, aircraft power plants and accessories, including the repair, packing, and maintenance of parachutes; the design, establishment, construction, extension, operation, improvement, repair or maintenance of airports or other air navigation facilities; and instruction in flying or ground subjects pertaining thereto;

(2) "Aircraft" means any contrivance now known, or hereafter invented, used or designed for navigation of or flight in the air;

(3) "Air navigation" means the operation or navigation of aircraft in the air space over this state, or upon any airport within this state;

(4) "Air navigation facility" means any facility other than one owned or controlled by the United States, used in, available for use in, or designed for use in, aid of air navigation, including airports, *rights, interests or easements in the navigable air space or real estate beneath or adjacent thereto,* and any structures, mechanisms, lights, beacons, markers, communicating systems, or other instruments or devices used or useful as an aid, or constituting an advantage or convenience, to the safe taking off, navigation and landing of aircraft, or the safe and efficient operation or maintenance of an airport, and any combination of any or all of such facilities;

(5) "Airport" means any area, of land or water, which is designed for the landing and take-off of aircraft, whether or not facilities are provided for the shelter, servicing or repair of aircraft, or for receiving or discharging passengers or cargo, and all appurtenant areas used or suitable for airport building or other airport facilities, and all appurtenant rights of way, whether theretofore or hereinafter established.

(6) "Airport board", "airboard" or "board" means a board established as provided in this chapter *and any airport board or airport created pursuant to the provisions of Chapter 183 of the Kentucky Revised Statutes as it existed prior to the enactment of Chapter 179, Acts of the General Assembly, regular session 1960, shall be deemed to have been established pursuant to this Chapter with all of the powers, functions and duties as herein prescribed.*

(7) "Airport facilities" includes land, buildings, equipment, runways and other improvements and appurtenances necessary [or proper] *desirable or appropriate* for the establishment and maintenance of airports;

(8) "Airport hazard" means any structure, object or natural growth, or use of land, which obstructs the air space required for the flight of aircraft in landing or taking off at any airport or is otherwise hazardous to such landing or taking off;

(9) "Approach zone" means that area extending from the end of an airport runway in an inclined plane and increasing in elevation at a given ratio of horizontal to vertical feet, and which area may be more particularly identified and described by reference to the Technical Standard Orders of the Federal Aviation Agency;

(10) "Certificate" means a certificate issued by the department;

(11) "Civil aircraft" means any aircraft other than a public aircraft;

(12) "Charter operator" means all persons who transport or seek to transport persons or property in intrastate commerce for hire on unscheduled service and not between fixed points;

(13) "Common carrier" shall include all carriers for hire or compensation by air who operate, or seek to operate, over fixed routes or between fixed termini within the Commonwealth of Kentucky;

(14) "Development" and "airport development" mean:

(a) Any work involved in planning, designing, constructing, improving or repairing a public airport or portion thereof, including the construction, alteration and repair of airport buildings and the removal, lowering, relocation and marking and lighting of airport hazards; and

(b) Any acquisition of land, or any interest therein, or of any easement through or other interest in air space which is necessary to permit any such work or to remove, mitigate, prevent or limit the establishment of airport hazards and expenses incident to the carrying out the provisions of this chapter;

(15) "Navigable air space" means air space above the minimum altitudes of flight prescribed by the regulations of the Federal Aviation Agency or department consistent therewith, and includes the air space necessary for normal landing or take off of aircraft;

(16) "Operation of aircraft" or "operation aircraft" means the use, navigation or piloting of aircraft in the air space over this state, or upon any airport within this state. Any person who causes or authorizes the operation of aircraft, whether with or without the right of legal control as owner, lessee, or otherwise of the aircraft, shall be deemed to be engaged in the operation of aircraft within the meaning of the statutes of this state;

(17) "Overhead line" means any cable, pipeline, wire or similar substance of any kind or description;

(18) "Permit" means a permit issued by the department;

(19) "Public aircraft" means an aircraft used exclusively in the service of any government or of any political subdivision thereof, including the government of the state, territory or possession of the United States, or the District of Columbia, but not including any government-owned aircraft engaged in carrying persons or property for commercial purposes;

(20) "Public airport" means any airport which is used or to be used for public purposes under the control of a public agency, the landing area of which is publicly owned;

(21) "Public use airport" means any airport in the state airport plan open for use by the general public not including a private airport used primarily for the benefit of the owner;

(22) "State airport plan" means the plan of the department for the development of public and certain private airports for the benefit of the people of this state;

(23) "State airway" means a route in the navigable air space over the lands or waters of this state, designated by the department as a route suitable for air navigation;

(24) "Structure" means any object constructed or installed by man, including, but not limited to, buildings, towers, smokestacks, and overhead transmission lines;

(25) "Tree" includes objects of natural growth.

Section 3. Section 183.012 of the Kentucky Revised Statutes is amended to read as follows:

(1) "City" means any incorporated city;

(2) *As used in this chapter,* "governmental unit" means any city, or the combination of any two or more thereof, or any county, or combination of two or more such counties, city or cities, acting jointly with any county or counties *or an airboard or board established as provided in this chapter;*

(3) *As used in this chapter,* "ordinance", in the case of a county, means resolution of the county legislative body, *and in the case of an airport board or airboard means a resolution or regulation of the board.*

(4) "State" or "this state" means the Commonwealth of Kentucky;

(5) "Person" means any individual, firm, partnership, corporation, company, association, joint stock association, or body politic; and includes any trustee, receiver, assignee, or other similar representative thereof.

Section 4. Section 183.021 of the Kentucky Revised Statutes is amended to read as follows:

There hereby is created and established the Department of Aeronautics, which shall constitute a statutory administrative department of the state government within the meaning of KRS Chapter 12, and which department shall exercise all of the administrative functions of the Commonwealth in relation to aeronautics, including aircraft, air transportation, airports, air navigation, and all matters related to said functions. The Department of Aeronautics shall be headed by the Commissioner of Aeronautics, who shall be the executive officer and have sole charge of the administration of the department and the performance of all functions of the department. [No person shall be appointed as commissioner unless at the time of his appointment he holds a valid commercial license, or its equivalent, issued by the Federal Aviation Agency for the piloting of aircraft, and unless he shall have had at least five years' experience in areronautics.]

Section 5. Section 183.132 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any city or county, or city and county acting jointly, or any combination of two or more cities and/or counties may establish a nonpartisan airboard composed of six members.

(2) The board shall be a body politic and corporate with the usual corporate attributes, and in its corporate name may sue and be sued, contract and be contracted with and do all things reasonable

or necessary to effectively carry out the duties prescribed by statute. *The board shall constitute a legislative body for the purposes of KRS 183.630 to 183.740.*

(3) The members of an airboard shall be appointed as follows:

(a) If the airboard is established by a city, such members shall be appointed by the mayor of the city;

(b) If the airboard is established by a county, such members shall be appointed by the county judge;

(c) If the airboard is established as a joint city-county airboard [three members shall be appointed by the mayor and three members by the county judge,] *such members shall be appointed jointly by the mayor of the city and the county judge;*

(d) If a combination of cities and/or counties establishes a joint airboard, the mayors and/or county judges involved shall jointly choose six members, and shall jointly choose successors.

(4) Members of the board shall serve for a term of four years each, and until their successors are appointed and qualified, provided, however, that initial appointments shall be made so that two members are appointed for two years, two members for three years and two members for four years. Upon expiration of these staggered terms, successors shall be appointed for a term of four years.

(5) Members of the board shall serve without compensation but shall be allowed any reasonable expenses incurred by them in the conduct of the affairs of the board. The board shall, upon the appointment of its members organize and elect officers. The board shall choose a chairman and vice-chairman who shall serve for terms of one year. The board shall also choose a secretary-treasurer who may or may not be a member of the board. The board may fix a salary for the secretary-treasurer and the secretary-treasurer shall execute an official bond to be set and appoved by the board, and the cost thereof shall be paid by the board.

(6) The board may employ necessary counsel, agents and employes to carry out its work and functions, and prescribe such rules and regulations as it deems necessary.

(7) The secretary-treasurer shall keep the minutes of all meetings of the board and shall also keep a set of books showing the receipts and expenditures of the board. He shall preserve on file duplicate vouchers for all expenditures and shall present to the board, upon request, complete reports of all financial transactions and the financial condition of the board. Such books and vouchers shall at all times be subject to examination by the legislative body or bodies by whom the board was created. He shall transmit at least once annually a detailed report of all acts and doings of the board to the legislative body or bodies by whom the board was created.

(8) In the event that a joint airboard is created by cities and/or counties, and thereafter a city or cities or county or counties desire to withdraw from participation, then the remaining participants may jointly choose a successor member or members of the board. No such withdrawing city or cities, county or counties shall be entitled to return of any moneys or property advanced such board.

(9) A quorum for the transacting of the business of the board shall consist of four members. Meetings of the board may be called by the chairman or by four members. In case of tie voting by the board, the issue shall be deemed to have failed passage.

(10) A board member may be replaced by the appointing authority upon a showing to such authority of misconduct as a board member or upon conviction of a felony. No board member shall hold any official office with the appointing authority.

Section 6. Section 183.133 of the Kentucky Revised Statutes is amended to read as follows:

(1) The purpose of the board shall be to establish, maintain, operate and expand necessary, *desirable or appropriate* airport and air navigation facilities. It shall have the duty and such powers as may be necessary, [or] desirable *or appropriate* to promote and develop aviation, including air transportation, airports and air navigation facilities.

(2) The board shall establish and fix reasonable rates, charges and fees for the use of the landing area, ramps and other common aviation facilities. In fixing such rates, charges or fees the board may take into consideration, among other factors, the total capital investment by the board or other local or state governmental authority, the revenue needed properly to maintain such facilities, the revenue needed properly to expand the airport and its facilities, the portion of the facilities utilized by the licensee or contracting party and its customers and the volume and type of business conducted. Any party aggrieved by the rates, charges or fees may appeal from the action of the board to the circuit court of the county within which the board operates, within ninety days from the date that the board finally publishes such rates, charges or fees and gives notice of same to the contracting party or licensee. The circuit court may hear evidence and determine whether or not the rates, charges or fees are, or are not, reasonable in amount. Appeal from the judgment of the circuit court may be prosecuted as any other civil appeal.

(3) The board shall likewise have power, from time to time, to fix rates, charges or fees by contract, or by publishing general rates, charges or fees for commercial vendors, concessionares or other persons for the use or occupancy of terminal or other ground use facilities, under such terms or conditions as it may deem to be in the best

interest of maintaining, operating or expanding necessary airport or air navigation facilities, and the public use thereof.

(4) The board may acquire by contract, lease, purchase, gift, condemnation or otherwise any real or personal property, or rights therein, necessary, [or suitable] *desirable or appropriate* for establishing, operating or expanding airports and air navigation facilities. The board may erect, equip, operate and maintain on such property, buildings and equipment necessary [and proper] *desirable or appropriate* for airport or air navigation facilities. The board may dispose of any real or personal property, or rights therein, which in the opinion of the board are no longer needed for operating or expanding the airport or air navigation facilities.

(5) The board or any *other* governmental unit may by resolution reciting that the property is needed for airport or air navigation purposes direct the condemnation of any property, including navigation or other easements. The procedure for condemnation shall conform to the procedures set out in KRS 416.120, or in the alternative, as nearly as practicable to KRS 177.081 to 177.089.

(6) *The board or any other governmental unit may from time to time make, adopt and enforce such rules, regulations and ordinances as it may find necessary, desirable or appropriate for carrying into effect the purposes of this chapter, including those relating to the operation and control of the airport, airport facilities or air navigation facilities owned or operated by such board or such other governmental unit. All rules, regulations and ordinances adopted pursuant to this section shall be published according to the provisions of KRS 424.130, and the board or other governmental unit adopting them shall keep a permanent record of such rules, regulations and ordinances available for public inspection, on the airport premises. Prosecution for a violation of any rule, regulation or ordinance adopted pursuant to this section shall be in the police court of any municipality or the county court of any county within which the airport is located.*

Section 7. Section 183.134 of the Kentucky Revised Statutes is amended to read as follows:

In order to provide money for the purchase of property necessary, *desirable or appropriate* for the establishment or expansion or airports and to construct, equip and maintain buildings necessary [or suitable], *desirable or appropriate* for airport purposes, the legislative body of any governmental unit owning in whole or part any airport or operating an airport, may make an annual appropriation from its general fund; or such governmental unit may make an annual levy to collect a tax on taxable property situated in the governmental unit for such airport development. Any appropriation shall be made by the legislative body in such amounts, in such proportion and upon such terms as the legislative body may determine. All funds derived from such appropriation or tax shall be turned over to the airport board, if any, for the purpose of carrying out the duties and powers of the board.

Section 8. Section 183.136 of the Kentucky Revised Statutes is amended to read as follows:

(1) The board is authorized to defray the cost of acquiring, *constructing, maintaining, expanding, financing or improving* any airport facilities *or air navigation facilities* through the issuance of revenue bonds in the [same manner and under the same conditions as are provided in this chapter for governmental units, and for that purpose the board shall have all the powers and duties that are granted to or imposed upon governmental units and the legislative bodies thereof] *manner provided in KRS 183.630 through 183.740.*

(2) The board may, as an alternative method and in addition to all other methods provided by law, acquire, construct, maintain [add to and], *expand, finance or* improve airports [and], airport facilities *or air navigation facilities* and issue revenue bonds in connection therewith under the terms and provisions of KRS Chapter 58 and under said law the term "governmental agency" means the board *and any airport board or airport created pursuant to the provisions of Chapter 183 of the Kentucky Revised Statutes as it existed prior to the enactment of Chapter 179, Acts of the General Assembly, regular session 1960, shall be deemed to have been established pursuant to this Chapter with all of the powers, functions and duties as herein prescribed,* and the term "public project" means airports and airport facilities *and air navigation facilities.*

Section 9. Section 183.138 of the Kentucky Revised Statutes is amended to read as follows:

The title to all property acquired by the board may vest in the board or in [the governmental unit] *any other governmental unit owning, operating or controlling an airport, or which has established an airboard under this chapter,* or in the department. All property acquired for the establishment and maintenance of an airport shall be exempt from taxation *and assessment* to the same extent as other property used for public purposes. All fees charged by the board or collected by the board for the admission to or use of the airport or its facilities shall also be exempt from taxation.

Section 10. Section 183.630 of the Kentucky Revised Statutes is amended to read as follows:

For the purpose of defraying the cost of acquiring [any airport facilities, either by purchases or construction], *constructing, maintaining, expanding, financing or improving any airport facilities or air navigation facilities,* the department may, with the approval of the

Governor, borrow money and issue negotiable bonds. A governmental unit may borrow money and issue negotiable bonds, for the same purposes, but only after an ordinance or resolution has been adopted by the legislative body specifying the proposed undertaking, the amount of bonds to be issued and the maximum rate of interest the bonds are to bear. The ordinance or resolution shall further provide that the [airport facilities are to be acquired pursuant to the provisions of KRS 183.630 to 183.740] *revenue bonds are to be issued pursuant to the provisions of KRS 183.630 to 183.740.*

Section 11. Section 183.635 of the Kentucky Revised Statutes is amended to read as follows:

Where a city and county or governmental unit are acting jointly, any action contemplated by KRS 183.630 to 183.740 to be taken by the legislative body or bodies of the governmental unit, shall be taken by ordinance [of the city legislative body or bodies and parallel or companion resolution of the county legislative body or bodies.] *of such governmental unit.*

Section 12. Section 183.660 of the Kentucky Revised Statutes is amended to read as follows:

All money received from the bonds shall be applied soley for the acquisition [of the airport facilities], *construction, maintenance, expansion, financing or improvement of the airport facilities or air navigation facilities,* and the necessary expense of preparing, printing and selling said bonds, or to advance the payment of the interest on the bonds during the first three years following the date of the bonds.

Section 13. Section 183.690 of the Kentucky Revised Statutes is amended to read as follows:

If a surplus is accumulated in the operating and maintenance funds equal to the cost of maintaining and operating the airport facilities during the remainder of the calendar, operating or fiscal year, and during the succeeding like year, any excess over such amount may be transferred at any time by the legislative body of the governmental unit to the depreciation account, to be used for improvements, extensions or additions to the airport facilities *or the air navigation facilities.*

Section 14. Section 183.730 of the Kentucky Revised Statutes is amended to read as follows:

Any governmental unit acquiring, *constructing, maintaining, expanding, financing or improving any air navigation facilities or* any airport facilities pursuant to the provisions of KRS 183.630 to 183.740 may, at the time of issuing the bonds for such acquisition, *construction, maintenance, expansion, financing or improvement,* provide for additional bonds for extensions and permanent improvements to be placed in escrow and to be negotiated from time to time as proceeds for that purpose may be necessary. Bonds placed in escrow shall, when negotiated, have equal standing with the bonds of the same issue.

Section 15. Section 183.740 of the Kentucky Revised Statutes is amended to read as follows:

KRS 183.630 to 183.730 shall constitute a method for the acquisition, *construction, maintenance, expansion, financing or improvement of air navigation facilities or* [of] airport facilities by governmental units or the Commonwealth in addition or as an alternate to any other method authorized by statute. It is intended to authorize the acquisition, *construction, maintenance, expansion, financing, or improvement* of additional facilities for an airport acquired under authority of KRS 183.133 as well as the original acquisition, *construction, maintenance, expansion, financing or improvement* of land and other facilities for an airport. Governmental units shall have all authority conferred by KRS 183.133 for the acquisition, *construction, maintenance, expansion, financing or improvement of air navigation facilities or* [of] airport facilities. Except as otherwise provided in KRS 183.630 to 183.730, the provisions of KRS 183.133 to 183.138 shall apply to the operation of airport facilities acquired under KRS 183.630 to 183.730.

Section 16. Section 183.763 of the Kentucky Revised Statutes is amended to read as follows:

The department may contract with a [board] governmental unit or other person, and a [board or] governmental unit may contract with the department or any person in regard to the development of airports and other aeronautical matters.

Section 17. Section 183.764 of the Kentucky Revised Statutes is amended to read as follows:

[In order to bring about, in conformity with the National Airport Plan prepared and from time to time revised as provided in the Federal Airport Act, the establishment of a state-wide system of public airports adequate to meet the present and future needs of civil aeronautics,] The department is authorized to render financial assistance by grant or loan or both to any governmental unit in the development of an airport owned or controlled or to be owned or controlled by such governmental unit out of appropriations made by the General Assembly for such purposes. Such financial assistance may be furnished in connection with federal aid, local or other funds available for airport purposes.

Section 18. Section 183.765 of the Kentucky Revised Statutes is amended to read as follows:

(1) [The development of airports in the state may be undertaken and the cost of such development may be borne as follows:

(a) Airports may be developed by the Commonwealth of Kentucky or by the Commonwealth of Kentucky and the United States Government in cooperation and, when so undertaken, the cost of such development may be borne entirely by the Commonwealth of Kentucky, or by the Commonwealth of Kentucky and the United States Government, or by the United States Government.

(b) Airports may be developed by a governmental unit or air board or boards and the Commonwealth of Kentucky and, when so undertaken, the cost of such development may be borne by the governmental unit or air board or boards and the Commonwealth of Kentucky.

(c) Airports may be developed by a governmental unit or air board or boards and the United States Government and, when so undertaken, the cost of such development may be borne by the governmental unit or air board or boards and the United States Government.

(d) Airports may be developed by a governmental unit, an air board or boards, the Commonwealth of Kentucky and the United States Government and, when so undertaken, the cost of such development may be borne by the governmental unit, the air board or boards, the Commonwealth of Kentucky and the United States Government.] *Airport development in* Kentucky may be undertaken and paid for by the state, the *United States and governmental units. Costs for development may be borne by any one of these or by any combination.*

(2) Whenever state funds are used or sought to be used in the development of an airport in the state, the State Treasury shall be designated as the depository for all funds of governmental units, the United States Government, the Commonwealth of Kentucky, and private contributions pledged, contributed, loaned, [made available, given] or allocated for the development of such airport. Provided, however, the department may disregard the provisions of this subsection if such be necessary in order to comply with any law or regulation of the Federal Government. In all other instances of airport development, the governmental unit may designate its own depository for all funds of the governmental unit, United States Government, and private contributions pledged, contributed, loaned, made available, given or allocated for such airport development.

Section 19. Section 183.767 of the Kentucky Revised Statutes is amended to read as follows:

As a condition precedent to the expenditure of any state funds for the development of any airport in the state, the department may require that the governmental unit or *units* [air board or boards] shall have, or be in a position to acquire, all lands or other property interests which in the judgment of the department are necessary for the development of the airport.

Section 20. Section 183.769 of the Kentucky Revised Statutes is amended to read as follows:

Whenever state funds are used, or sought to be used, all governmental units [or air boards] in this state, whether acting alone or jointly with another governmental unit [or board] or with the United States Government or with the state, shall comply with the terms of KRS 183.761 to 183.772 and all rules and regulations adopted thereunder, and secure the approval of the department.

Section 21. Section 183.772 of the Kentucky Revised Statutes is amended to read as follows:

There is hereby created in the State Treasury a special fund to be known as the "Kentucky Airport Development Fund". All moneys deposited or paid into this fund, including repayment of any loans made therefrom, are appropriated and shall be available to the department for the purposes of KRS 183.761 through 183.771. All moneys in such fund shall be expended solely for the development of airports or administrative cost incidental to the development of airports. [No portion of this fund may be used for airport development administrative purposes or for the purchase of aircraft in any year unless the transfer of such funds is approved by the Governor.] The fund shall consist of all money appropriated by the state and all money received from the United States or from any other source for the purpose of airport development. All moneys in the Kentucky Airport Development Fund shall be deposited, administered and disbursed in the same manner and under the same conditions and requirements as are provided by law for other special funds in the State Treasury, except that any balance in this fund shall not lapse at any time but shall be continuously available to the department for the purposes of carrying out the provisions of KRS 183.761 through 183.771. A general statement that all continuing appropriations are repealed shall not be construed as abolishing this fund.

Section 22. Section 183.862 of the Kentucky Revised Statutes is amended to read as follows:

(1) Such commission shall consist of [nine members, with one appointed from each congressional district of the state] *six members* and the Commissioner of Aeronautics who shall be the ex officio chairman of such commission. The members of such commission shall be appointed by the Governor for a term of four years. The members shall serve for a term of four years, and until their successors are appointed, provided however that the first two members appointed shall serve for a term of [one year] *two years;* the next two for [two] *three*

years; [the next two for three years;] and the final two for four years. Upon the expiration of the first terms, successors shall be appointed for a term of four years.

(2) Each member shall [be a resident of the congressional district from which he is appointed and shall] be a person experienced in and familiar with the field of aeronautics.

(3) Members of the commission shall [serve without compensation except that they may] *receive twenty-five dollars for each day in actual session and shall* be reimbursed for travel expenses and other reasonable expenses incident to performance of their duties.

Section 23. Section 183.865 of the Kentucky Revised Statutes is amended to read as follows:

All of the powers, provisions and duties relating to the zoning and use of land, structures and air space within and around public airports within the state are hereby conferred upon, delegated to and vested in the commission. The Commission shall also exercise all powers, provisions and duties relating to the use of navigable air space within the state; *provided, however, that nothing contained in KRS 183.681 to 183.873 shall prevent a governmental unit from acquiring airports, airport facilities, or air navigation facilities, or from taking any action authorized by law for the elimination of any airport hazard, either alone or jointly with the commission.*

Section 24. Section 183.867 of the Kentucky Revised Statutes is amended to read as follows:

(1) The commission shall require that every public airport in the state file with it, from time to time, as required, maps showing the airport and area surrounding such airport used for approach or landing purposes. The commission shall thereafter designate on such maps, by reference to the Technical Standard Orders of the Federal Aviation Agency concerning the area required for the safe maneuvering, approach and landing of aircraft, the area over which jurisdiction will be assumed for zoning purposes. The commission shall notify any local zoning bodies of the area so designated and [shall] *may* exercise [exclusive] jurisdiction of such area insofar as it pertains to the safe and proper maneuvering of aircraft and the safe and proper use of the airport involved. The local zoning body may retain jurisdiction of zoning in such areas as to all other matters.

(2) The commission may adopt such regulations pertaining to the zoning of areas over which jurisdiction is assumed as will provide for the proper and safe use of such area and airport.

(3) The commission shall maintain a public file in the offices of the department showing maps of each public airport within the state and the area around such airport over which it has assumed

jurisdiction for zoning purposes and such shall constitute public notice of the restrictions and zoning applicable to such areas or airport. The commission shall also maintain a public file showing any regulations adopted pertaining to land uses in areas zoned and such shall constitute public notice of same.

Section 25. Section 183.990 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any person violating any of the provisions of this chapter with respect to operation of aircraft, *or violating the provisions of any rule, regulation or ordinance adopted under KRS 183.133(6),* shall be fined not less than ten dollars nor more than one hundred dollars or imprisoned not more than ninety days or both.

(2) Every person coming within the provisions of KRS 183.530 through KRS 183.590 and every officer, agent or employee of the holder of any certificate issued under KRS 183.530 to 183.590 and every other person who violates or causes, aids or abets any violation, of any order, rule or regulation lawfully issued pursuant to the authority granted by KRS 183.530 to 183.590 shall, upon conviction, be punished by a fine of not less than one hundred dollars nor more than five hundred dollars. The prosecution may be had in the circuit court of any county in which the offense or any part thereof shall have occurred.

(3) Each violation of the statutes pertaining to the State Airport Zoning Commission or of any order, rule or regulation promulgated pursuant thereto shall be punishable by a fine of not less than one hundred dollars nor more than five hundred dollars or imprisonment for not more than thirty days or both, and each day a violation continues to exist shall constitute a separate offense.

Section 26. *Notwithstanding any other evidence of legislative intent, it is hereby declared to be the controlling legislative intent, that if any provision of this Act, or the application of this Act to any persons or circumstances, is held invalid, the remainder of this Act and the application of such provision to persons or circumstances, other than those as to which it is held invalid, shall not be affected thereby.*

Section 27. Sections 183.022, 183.139 and 183.761 of the Kentucky Revised Statutes are repealed.

SB 196, AN ACT relating to corporations.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Subsection (1) of Section 271.165 of the Kentucky Revised Statutes is amended to read as follows:

(1) Each shareholder shall be entitled to a certificate of stock signed by the president or a vice president, and the secretary or an assistant secretary, or by such officers as the articles of incorporation or by-laws may provide, but when any such certificate is signed by a transfer agent or registrar, *or by an officer of the corporation designated by the articles of incorporation or by-laws,* the signature of any such *other* corporate officers and the corporate seal, if any, upon such certificate may be facsimile engraved or printed. In case any officer designated for the purpose who has signed or whose facsimile signature has been used on any such certificate shall, from any cause, cease to be such officer before the certificate has been delivered by the corporation, the certificate may nevertheless be adopted by the corporation and be issued and delivered as though the person had not ceased to be such officer.

SB 197, AN ACT amending subsection (4) of KRS 141.020.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Subsection (4) of KRS 141.020 is amended to read as follows:

(4) An annual tax shall be paid for each taxable year as specified in this section upon the entire net income, except as herein provided, from all tangible property located in this state, from all tangible property that has acquired a business situs in this state, and from business, trade, profession, occupation or other activities carried on in this state, by natural persons not residents of this state. A nonresident individual shall be taxable only upon the amount of income received by him from labor performed, business done or from other activities in this state, from tangible property located in this state, and from intangible property that has acquired a business situs within this state; *provided, however, that the situs of intangible personal property shall be at the residence of the real or beneficial owner and not at the residence of a trustee having custody or possession thereof.* The remainder of the income received by [him] *such nonresident* shall be deemed nontaxable by this state.

SB 199, AN ACT relating to wills.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 394.010 of the Kentucky Revised Statutes is amended to read as follows:

(1) As used in this chapter, unless the context requires otherwise, "will" means a last will or testament, codicil, appointment by will, writing in the nature of a will in exercise of a power, and any other testamentary disposition.

(2) No writing declaring and creating a trust, including a life insurance trust, when otherwise valid, shall not be an invalid trust or a testamentary disposition of property because the grantor of the trust reserves to himself: (1) the income of the trust estate for his life, or any other period, or the right to receive the income of the trust estate or have it used for his benefit for his life, or any other period, whether at the grantor's direction or in the trustee's discretion; and/or (2) the right to receive amounts of the trust principal or have such amounts used for his benefit whether at the grantor's direction or in the discretion of the trustee; and/or (3) the right, at any time during his lifetime, to modify, alter, amend or revoke the trust instrument, in whole or in part; and/or (4) the right, at any time during his lifetime, to make recommendations to or direct the trustee as to any or all investments of the trustee and any or all administrative or other functions of the trustee.

(3) Subparagraph (2) above shall be applicable to all writings executed after its enactment and to all writings previously executed if the grantor is living at the time of its enactment.

SB 201, AN ACT relating to motor vehicle sales.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

A new section to Chapter 190 of the Kentucky Revised Statutes is hereby enacted to provide as follows:

No license shall be issued by the Department to any person to act as a motor vehicle dealer, or as a motor vehicle salesman for a motor vehicle dealer, unless the applicant for the motor vehicle dealer license has a fixed and permanent place of business in this State, including a building of suitable character and adequate facilities for the purpose of performing the functional business and duties of a motor vehicle dealer, which shall include the books, records, files and equipment necessary to properly conduct such business. The place of business shall not consist of a residence, tent, temporary stand or open lot.

HB 312, AN ACT relating to motor vehicles.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 186.040 of the Kentucky Revised Statutes is amended to read as follows:

(1) Upon receiving the application and fee, the county clerk shall issue to the owner a registration receipt containing the information required by subsection (2) and a registration plate. If the departmen finds that there is a shortage of materials suitable for making

plates, or that a substantial saving will result, it may require by regulation with the approval of the Governor that previously issued plates continue to be used for a designated period. For services performed, the owner shall pay the county clerk the sum of fifty cents for each registration in addition to the registration fee.

(2) The registration receipt shall contain the registration number, the names and post office addresses of the owner *and the secured party* [and of the lien holder] as shown by *the financing statement* [chattel mortgage, or other instrument construed as such in this state,] on file in the office of the county clerk and such other information as the department may require. *The owner's copy of such receipt shall bear the seal of the county clerk who issued same. No fee shall be charged for placing such seal on the owner's copy of the receipt.* [The county clerk shall be paid a fee of sixty cents for recording each lien on the registration receipt in addition to statutory recording fees for recording the chattel mortgage, or other instrument construed as such in this state.]

(3) If a motor vehicle, other than a new motor vehicle, is registered in this state under the authority of a bill of sale, registration receipt or title, the registration receipt shall show the title or the registration number and the name of the state issuing same under which the motor vehicle was last registered in addition to the other required information.

Section 2. KRS Chapter 186 is amended by inserting therein a new section reading as follows:

(1) Financing statements relating to vehicles required to be registered in Kentucky by the county clerk shall be filed in the office of the county clerk of the county in which the debtor resides or, if the debtor is a nonresident, in the office of the county clerk in which the vehicle is principally operated.

(2) (a) Whenever a financing statement required by KRS Chapter 355 relating to any vehicle registered or required to be registered in Kentucky for use on the highway is presented to a county clerk for filing, such clerk shall also immediately note information required by the department relative thereto on the owner's copy of the registration or transfer receipt issued for the current registration period as noted in KRS 186.170 (2), which the secured party must obtain and present to the county clerk, along with the financing statement, within ten days after execution of the security agreement. The clerk shall also note such information on the clerk's copy of the registration or transfer receipt maintained in his office in numerical order. The clerk noting the information on the owner's copy of the registration or transfer receipt shall return such receipt to the owner within five days after making such notation. For filing the financing statement, the clerk

shall collect a fee of $3.25 from the secured party and, in addition, for noting the security interest on the required receipts, the clerk shall collect from the secured party a fee of eighty-five cents for each motor vehicle included on the financing statement.

(b) Whenever a financing statement affecting a vehicle is presented to a county clerk for filing in any county other than the one in which the current receipt was issued, the county clerk shall, in addition to the other requirements of this section, mail a notice of the security interest on a form furnished by the department to the clerk of the county in which the current receipt was issued. Upon receipt of said notice, the county clerk shall attach it to the copy of the current receipt on file, maintained in numerical order, in the county clerk's office and note the security interest on the clerk's copy of the receipt.

(3) For failure to present both the current receipt and financing statement within the time prescribed by subsection 2 (a), the secured party shall pay a penalty of two dollars to the county clerk as a prerequisite for noting the security interest on the current receipt. The penalty, less the county clerk's commission of five percent, shall be remitted to the department.

(4) Whenever a perfected security interest is assigned, the assignor shall immediately give a statement of assignment to the assignee and at the same time deliver another copy of such statement to the debtor. The assignee shall, within thirty days thereafter, present a copy of the statement of assignment to the county clerk in whose office the financing statement is on file. Upon receipt of the assignment, the county clerk shall mark the same as provided in KRS 355.9-405 (2) and attach it to the original financing statement. For his services the county clerk shall collect a fee of seventy-five cents from the assignee.

(5) Whenever a security interest has been discharged, other than by proceedings under KRS 355.9-501 through 355.9-507 or similar proceedings, the secured party shall, within thirty days thereafter, deliver a termination statement in the manner required by KRS 355.9-404 to the county clerk of the county in which the financing statement is filed. For failure to file the termination statement within the allowable time, the secured party shall be subject to the penalty provided in subsection (3) of this section. Within five days after the receipt of such documents, the county clerk shall note the filing in the indexand, in addition, note on the clerk's copy of the current receipt maintained in his office in numerical order, in language prescribed by the department that the termination statement has been filed. Upon presentation of the owner's copy of the receipt showing such security interest, the clerk shall also note on such receipt that the termination statement has been filed and place the seal of the county clerk thereon. The clerk shall return the owner's receipt to the owner. The county

clerk shall remove the financing statement from his files, mark "terminated" thereon and send or deliver it to the secured party along with any continuation statement, statement of assignment or statement of release pertaining thereto. The county clerk shall then file the termination statement in the place from which the financing statement was removed. Termination statements must be retained in the clerk's files for a period of two years subsequent to the date of filing such statement, at which time they may be destroyed. No fee shall be collected for these services by the clerk. Once a security interest has been noted on the owner's copy of a registration or transfer receipt, no subsequent registration or transfer receipt may be issued by any county clerk free of such notation unless the owner's copy of the current receipt is presented to the clerk and it has noted thereon by the proper county clerk that the termination statement therefor has been filed. If this requirement is met, information relating to any security interest shown on the receipt as having been terminated may be omitted from the receipt to be issued by the clerk.

(6) Whenever any secured party repossesses a vehicle registered with a county clerk, for which a financing statement has been filed, and disposes of such vehicle pursuant to the provisions of KRS Chapter 355, he must present, within fifteen days after such disposition, an affidavit in form prescribed by the department and a termination statement or proof that such termination statement has been filed. The new owner shall pay all applicable fees for registering and transferring the vehicle to the county clerk. Upon receipt of such documents, the county clerk who issued the current receipt shall then omit from the registration or transfer receipt he issues, any information relating to the security interest under which the vehicle was repossessed or any security interest subordinate thereto. However, any security interest, as shown by such clerk's copy of the current receipt, which is superior to the one under which the vehicle was repossessed, must be shown on the receipt issued by the clerk unless the prior secured party has terminated such security interest in such clerk's office or proof of termination is submitted in case such prior security interest was discharged in another clerk's office.

(7) Whenever any vehicle brought into this state is required to be registered with a county clerk and such vehicle is then subject to a security interest in another state as shown by the out of state documents presented to the clerk, the county clerk is prohibited from registering the vehicle unless the owner obtains from the secured party a financing statement and presents same to the clerk along with all fees due. Such a financing statement must conform to the requirements of KRS 355.9-402 (3). The clerk shall note the out of state security interest on the new registration receipt and on the clerk's copy thereof. This provision does not apply to vehicles required to be registered in Kentucky under forced registration provisions under KRS 186.145.

The penalty provided in subsection (3) of this section shall not apply to this subsection.

(8) The fees provided for in this section are in addition to any state fee provided for by law.

(9) Any person violating any provision of this section or any person refusing to surrender a registration or transfer certificate upon request of any person entitled thereto, is subject to the penalties provided in KRS 186.990 (1).

(10) The county clerk is prohibited from filing any financing statement on any vehicle subject to the provisions of this section if a registration or transfer receipt therefor is presented to him which has all the spaces provided thereon for noting security interests fully exhausted. The owner must see to it that a termination statement is filed for each discharged security interest and then a duplicate receipt as provided for in KRS 186.180 must be obtained from the clerk by the owner of the vehicle.

(11) Security interests in vehicles sold to or owned by residents of other states must be perfected in the state of such nonresident and repossession of the vehicle must be taken pursuant to the laws of such state, unless the vehicle is principally operated in Kentucky and is properly registered herein under KRS 186.020 and the security interest is authorized to be filed with the county clerk under KRS 355.9-401. However, a security interest on any vehicle which is not used on the public highways and for that reason is not required to be registered for highway use may be filed with the county clerk as otherwise permitted under KRS Chapter 355.

Section 3. Section 186.230 of the Kentucky Revised Statutes is amended to read as follows:

The county clerk shall see that KRS 186.020 to 186.260 in his county are enforced. In so doing, he shall:

(1) Take all applications as provided in KRS 186.020 to 186.260; [except those in KRS 186.090;]

(2) Issue the receipts on blanks furnished by the department;

(3) Collect the fees due the state;

(4) Distribute the registration plates furnished by the Department of Revenue and Department of Motor Transportation and keep a complete public record of all registrations for his county, in his office;

(5) Report and remit each Monday to the Department of Revenue all moneys collected during the previous week, together with a duplicate of all receipts issued by him during the same period. He shall make all checks payable to the State Treasurer. Unless the clerk

forwards duplicates of all receipts issued by him during the reporting period with his report and remits the amount shown due by the report within seven days after the report and remittance are due, he shall pay a penalty of one percent per month or fraction thereof on the amount of money shown to be due on the report. The department may in its discretion grant a county clerk a reasonable extension of time to file his report and remit all moneys not to exceed ten days for any one report. The extension however must be requested prior to the end of the seven-day period and shall begin to run at the end of said period. All penalties collected under this provision shall be paid into the State Treasury as a part of the revenue collected under KRS 186.020 to 186.260;

(6) The clerk shall mail to the Department of Public Safety one duplicate of all receipts issued by him within two weeks of the date of issuance. The Department of Public Safety shall make the receipts pertaining to commercial vehicles available to the Department of Motor Transportation for use in assimilating data therefrom.

(7) Account to the Department of Revenue for all registration plates and receipt forms consigned to him, at such time or times as the Department of Revenue may direct, and give the appropriate department timely notice of a probable deficiency of plates or other supplies.

(8) Any county clerk, who in collecting the taxes and fees due the state or county clerk, accepts in payment thereof a check which is not honored upon presentment, shall have a lien on the vehicle for the amount of such check. This lien shall be subordinate to any prior perfected lien, either contractual or statutory.

Section 4. Subsection (1) of KRS 186.180 is amended to read as follows:

(1) *(a) If the owner loses his copy of a registration or transfer receipt, he may obtain a duplicate from the county clerk who issued the present owner's copy of the receipt by filing an affidavit, upon a form furnished by the department, and he shall pay to the clerk a fee of fifty cents.*

(b) When the owner's copy of any registration or transfer receipt shows that the spaces provided thereon for noting and discharging security interests have been exhausted, the owner may apply to the county clerk who issued such receipt in order to obtain a duplicate thereof. The owner shall surrender his copy of the current receipt to the clerk before a duplicate may be issued therefor. The owner shall pay the clerk a fee of fifty cents.

(c) Any security interest which has been discharged as shown by the records of the clerk or upon the owner's copy of the current receipt, must be omitted from the duplicate receipt to be issued by

the clerk. [If the owner loses his registration receipt, he may obtain a duplicate from the clerk upon filing a written statement as to the loss, upon a form furnished by the department, through the clerk, and he shall pay to the clerk a fee of fifty cents.]

Section 5. KRS 186.195 is repealed.

Section 6. This Act shall take effect with the issuance of any 1965 registration receipt.

SB 152, AN ACT relating to county parks.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. The fiscal court in each county containing a county park may appropriate money to build and maintain a hotel, motel or lodge within the park.

SB 215, AN ACT relating to cities of the fourth class.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 26.190 is amended to read:

The police court in cities of the fourth class shall be held by a single police judge. He shall be elected by the voters of the city at the general election in November [,] [or appointed by the city legislative body, as it may determine by ordinance enacted at least sixty days previous to the next November election]. He shall hold his office for a term of four years. He shall take the oath required of circuit judges, and shall be a conservator of the peace. The compensation of the police judge shall be fixed by ordinance before his election or appointment. No person shall be eligible to be police judge unless he is at least twenty-four years of age and has resided within the limits of the city at least six months next preceding his election.

Section 2. KRS 69.560 is amended to read:

The legislative body of each city of the fourth class, except those operating under the commission or city manager form of government, as soon as it is organized or as soon thereafter as practicable, and biennially thereafter, *shall* [may appoint a city attorney, or it may] provide by ordinance [at least sixty days previous to any election] that the city attorney be elected by the qualified voters of the city at the same time and for the same term that the police judge is elected. The city attorney must be a practicing attorney, and a resident of the city. The city attorney shall hold his office for a term of two years, subject to removal at any time for good cause by the city legislative body. He shall prosecute all pleas of the Commonwealth and all warrants or proceedings instituted for violation of the ordinances or municipal regulations of the city in the police court, attend the meetings of the city legislative body, advise it in all matters of litigation or legal proceedings, and perform any other duties in his department required by the city legislative body. The city legislative body shall fix his compensation by ordinance before his appointment or election.

SB 225, AN ACT relating to communications between physician and patient.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. The confidential relations and communications between physician and patient are privileged and may not be divulged by the physician without the consent of the patient.

HB 237, AN ACT relating to municipally owned public utilities.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 96.750 is amended to read:

(1) The salary of each member of a board of public utilities *may* [shall] be fixed by the *board* [governing body of the municipality] as follows:

(a) For each member of a board controlling a plant which furnishes electric service to a city of the first class, at not exceeding $1,500 per annum;

(b) For each member of a board controlling a plant which furnishes electric service to a city of the second class, at not exceeding $1,000 per annum;

(c) For each member of a board controlling a plant which furnishes electric service to a city of the third class, at not exceeding $750 per annum; and

(d) For each member of any other board, at not exceeding $300 per annum.

(2) Such salaries, as well as the salary of the secretary-treasurer, shall constitute a cost of operation and maintenance of the electric plant.

(3) The governing body of the municipality may, by resolution or ordinance, provide that the municipality shall not be liable for the payment of any salary or compensation of any of the members of said board, or for the payment of the salary or compensation or

expenses of any person employed by said board, and that such salaries, compensation and expenses and any and all liabilities, of whatever kind or character incurred by the board or any officer or employe thereof, shall be payable solely and only out of revenues obtained by said board under the provisions of KRS 96.550 to 96.900, and said liabilities shall then be so limited.

SR 32, A JOINT RESOLUTION appropriating funds to the Division of Air Patrol.

WHEREAS, the Kentucky Wing of the Civil Air Patrol is designated by KRS 183.820 as a division of the Department of Aeronautics; and

WHEREAS, said division is directed by KRS 183.830 to perform emergency disaster work within the Commonwealth in all instances in which its services might be of assistance in relieving the disaster; and

WHEREAS, on the basis of its past performance the division can be expected to render invaluable assistance in the next biennium;

NOW, THEREFORE,

Be it resolved by the General Assembly of the Commonwealth of Kentucky:

Section 1. That there is appropriated to the Division of Civil Air Patrol the sum of $10,000 for each of the fiscal years 1964-1965 and 1965-1966.

Section 2. The above appropriations are to be expended subject to the provisions of KRS 183.850.

SB 231, AN ACT relating to sheriffs.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 70.070 is amended to read:

Each sheriff shall execute and make due return of all *summonses, writs, orders, notices or other* [notices and] process which come to him and may be lawfully executed by him against any person or property in his county, or upon any river or creek adjoining his county [.] , *and shall enter the date of such execution in the ledger referred to in Section 2 of this Act.* He shall return the time of service of each *article of* [notice and] process, *including* [and] the time of the levy of each execution, *a description of the property* [what] levied on, when he sold the property seized, *to* whom *sold* [to] and *at* what *price* [for], and all other matters touching his duty *with respect* *thereto* , and shall subscribe his own name to the return *or cause it to be thereunto subscribed by one of his duly authorized deputies.* [and, if he is a deputy, the name also of his principal.]

Section 2. KRS 70.076 is amended to read:

The sheriff shall indorse upon every summons, *writ, order, notice or other process delivered to him for services or execution,* [order of arrest or for the delivery of property, or of attachment, or injunction, in his hands,] the day and hour of its reception by him [.] , *and shall enter the information in a bound ledger with which he shall provide himself for that purpose. The ledger shall be kept and preserved by the sheriff and his successors in office for five years from the date of the last entry therein.*

Section 3. *Any sheriff or deputy sheriff who willfully fails to comply with any of the provisions of this Act shall be fined not less than fifty dollars nor more than five hundred dollars for each offense.*

Calendar

SR 25, HB 4, SB 85, with Committee Amendment, **HB 2, HB 5,** with Committee Amendment, **HB 284, HB 285, HB 288, HB 152, SB 155, HR 35, SB 224, HR 17, SB 161, SB 108, SB 214, SB 203, HB 224, SB 177, SB 222, HB 258** taken from the Calendar and ordered read at length for the second time. Senator Gardner moved that they be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

Orders of the Day

HB 220 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Brand moved the Previous Question on **HB 220.** Agreed.

On the roll call the vote was yeas 30—Billington, Blue, Brand, Brizendine, Buckman, Cobb, Derickson, Duffy, Duncan, Edwards, Engle, Fuqua, Gardner, Garrett, Howard, D. Johnson, F. Johnson, Kelly, Kinkead, Kiser, Layne, McCann, McGinty, Newberry, Palmer, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

HB 220 was passed and the title agreed to.

Senator Brand moved that the vote by which **HB 220** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 213 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Garrett moved the Previous Question on **SB 213**. Agreed.

On the roll call the vote was yeas 32—Billington, Blue, Brand, Brizendine, Cobb, Derickson, Duffy, Duncan, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, Howard, D. Johnson, F. Johnson, Kelly, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Newberry, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

SB 213 was passed and the title agreed to.

Senator Garrett moved that the vote by which **SB 213** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 175 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Kelly moved the Previous Question on **SB 175**. Agreed.

On the roll call the vote was yeas 24—Billington, Blue, Brand, Brizendine, Buckman, Cobb, Derickson, Duffy, Duncan, Edwards, Fuqua, Gardner, Garrett, D. Johnson, F. Johnson, Kelly, Kinkead, Layne, Mann, McCann, Palmer, Swope, Turner, Van Hoose. Nays 3—McGinty, Newberry, Spence.

SB 175 was passed and the title agreed to.

Senator Kelly moved that the vote by which **SB 175** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 176 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Kelly moved the Previous Question on **SB 176**. Agreed.

On the roll call the vote was yeas 26—Billington, Blue, Brand, Brizendine, Buckman, Cobb, Derickson, Duffy, Duncan, Edwards, Engle, Fuqua, Gardner, D. Johnson, F. Johnson, Kelly, Kinkead, Kiser, Layne, McCann, McGinty, Newberry, Palmer, Spence, Swope, Van Hoose. Nays 0.

SB 176 was passed and the title agreed to.

Senator Kelly moved that the vote by which **SB 176** was passed be reconsidered and that said motion be laid on the table. Agreed.

House Message

Announcing passage of **HB 109, HB 199, HB 205, HB 249, HB 266, HB 283, HB 308, SB 16, SB 56**, with amendments, **SB 109**.

Senator Buckman moved to take up for consideration **SB 56** with the House Amendments attached thereto. Agreed.

Senator Buckman moved to concur in the House Amendments to **SB 56.** Agreed.

Said House Amendments to **SB 56** are as follows:

Amend printed copy of Senate Bill 56, on page 1, lines 11, 12 by:

deleting the words "or when deemed necessary by the attorney general"

and on page 2, line 24 by:

striking the words "on his own initiative or"

Senator Buckman moved the Previous Question on **SB 56,** as amended. Agreed.

On the roll call the vote was yeas 28—Billington, Blue, Brand, Brizendine, Buckman, Cobb, Derickson, Duffy, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, Howard, F. Johnson, Kelly, Kinkead, Layne, Mann, McCann, McGinty, Mobley, Newberry, Palmer, Turner, Van Hoose, Ware. Nays 2—D. Johnson, Spence.

SB 56, as amended, was passed and the title agreed to.

Senator Gardner moved that the vote by which **SB 56,** as amended, was passed be reconsidered and that said motion be laid on the table. Agreed.

Senator Howard moved to dispense with the Rules for the purpose of introducing bills. Agreed.

Introduction of Bills

SB 244, by Senators Howard, Kinkead, Donald Johnson, Cobb, Ware, Kelly, Derickson, Fuqua, Blue, Buckman, Layne, Gardner, Billington, McGinty, Spence, Engle, Duncan and Swope: AN ACT relating to savings and loan associations.

SB 245, by Senator Garrett: AN ACT relating to revenue and taxation.

Orders of the Day—Continued

SB 40, taken from Orders of the Day, with the Committee Amendment attached thereto, and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Swope moved the adoption of the Committee Amendment to **SB 40.** Agreed.

Said Committee Amendment to **SB 40** is as follows:

Amend printed copy of Senate Bill No. 40 on page 2, lines 10 through 14, by:

Deleting lines 10 through 14 in their entirety and inserting in lieu thereof the following:

"mail an exact carbon copy of such report to each operator of each vehicle involved within four days following the accident, to the address shown on the operator's license. Any such report not made in full com-"

And on page 3, by deleting lines 19 through 23 in their entirety and inserting in lieu thereof the following:

"He shall mail an exact carbon copy of such report to each operator of each vehicle involved within four days following the accident, to the address shown on the operator's license. Any such report not".

On the roll call the vote was yeas 25—Billington, Blue, Brand, Brizendine, Buckman, Cobb, Derickson, Duncan, Edwards, Engle, Fuqua, Garrett, Gay, Howard, F. Johnson, Kelly, Kiser, Mann, Mobley, Newberry, Palmer, Spence, Swope, Turner, Van Hoose. Nays 6—Duffy, D. Johnson, Layne, McCann, McGinty, Ware.

SB 40, as amended, was passed and the title agreed to.

Senator Swope moved that the vote by which **SB 40**, as amended, was passed be reconsidered and that said motion be laid on the table. Agreed.

HB 252 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Billington moved the Previous Question on **HB 252**. Agreed.

On the roll call the vote was yeas 25—Billington, Blue, Brizendine, Buckman, Cobb, Derickson, Duffy, Duncan, Edwards, Engle, Fuqua, Howard, D. Johnson, F. Johnson, Kelly, Kinkead, Kiser, Layne, McCann, McGinty, Newberry, Palmer, Spence, Swope, Van Hoose. Nays 2—Mobley, Turner.

HB 252 was passed and the title agreed to.

Senator Billington moved that the vote by which **HB 252** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 144 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Edwards moved the Previous Question on **SB 144**. Agreed.

On the roll call the vote was yeas 30—Billington, Blue, Brand, Brizendine, Buckman, Cobb, Derickson, Duffy, Duncan, Edwards, Engle, Fuqua, Gardner, Garrett, Howard, D. Johnson, Kelly, Kinkead, Kiser, Mann, McCann, McGinty, Mobley, Newberry, Palmer, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

SB 144 was passed and the title agreed to.

Senator Edwards moved that the vote by which **SB 144** was passed be reconsidered and that said motion be laid on the table. Agreed.

House Message

Announcing passage of **HR 92.**

HR 92, A CONCURRENT RESOLUTION setting a joint session of the House of Representatives and the Senate.

Be it resolved by the House of Representatives of the Commonwealth of Kentucky, the Senate concurring therein:

That the Senate and the House of Representatives to meet in joint session at 4:00 p.m., Monday, March 9, for the purpose of hearing an address by the Governor of the Commonwealth, Edward T. Breathitt.

Senator Gardner offered an amendment to **HR 92** and moved its adoption. Agreed.

Said Amendment to **HR 92** is as follows:

Amend printed copy of House Resolution 92 by setting the time of meeting with the House in Joint Session at 4:30 P.M., instead of 4:00 P.M.

Senator Gardner moved the adoption of **HR 92,** as amended. Agreed.

Report on Enrolled Bills

Committee on Enrollment reported that **HB 161, HB 106, HB 198, HB 124, HB 44, HB 95, HB 72** had been examined and found correctly enrolled. **HB 161, HB 106, HB 198, HB 124, HB 44, HB 95, HB 72** read at length, compared, and signed in open session by the President. Ordered delivered to the House.

SB 174 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Duffy moved the Previous Question on **SB 174.** Agreed.

On the roll call the vote was yeas 23—Billington, Blue, Cobb, Derickson, Duffy, Edwards, Gardner, Garrett, Gay, Howard, D. Johnson, Kelly, Kinkead, Layne, McCann, McGinty, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Van Hoose. Nays 1—Swope.

SB 174 was passed and the title agreed to.

Senator Duffy moved that the vote by which **SB 174** was passed be reconsidered and that said motion be laid on the table. Agreed.

HB 15 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Layne offered Amendment #1 to **HB 15** and moved its adoption. Agreed.

Said Amendment #1 to **HB 15** is as follows:

Amend printed copy of House Hill No. 15 on page 1, line 2, by:

Inserting after said line the following:

"Section 2. This Act shall become effective on the first day of January, 1965."

On the roll call the vote was yeas 32—Billington, Blue, Brand, Brizendine, Buckman, Cobb, Derickson, Duffy, Duncan, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, Howard, D. Johnson, F. Johnson, Kelly, Kinkead, Layne, Mann, McCann, McGinty, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Van Hoose, Ware. Nays 1—Swope.

HB 15, as amended, was passed and the title agreed to.

Senator Layne moved that the vote by which **HB 15**, as amended, was passed be reconsidered and that said motion be laid on the table. Agreed.

HB 194 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gay moved the Previous Question on **HB 194**. Agreed.

On the roll call the vote was yeas 31—Billington, Blue, Brand, Brizendine, Buckman, Cobb, Derickson, Duffy, Duncan, Edwards, Engle, Fuqua, Gardner, Gay, Howard, D. Johnson, F. Johnson, Kelly, Layne, Mann, McCann, McGinty, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Van Hoose, Ware. Nays 0.

HB 194 was passed and the title agreed to.

Senator Gay moved that the vote by which **HB 194** was passed be reconsidered and that said motion be laid on the table. Agreed.

Senator Ware moved that when we adjourn today that we do so in honor of Robert Brizendine, son of Senator Brizendine, an outstanding student and athlete. Agreed.

Announcement

Senator Gardner, Chairman of the Rules Committee, announced a meeting of said committee for 10:30 A.M., Tuesday, March 10, in Room 327.

Senator Gay moved that the Senate adjourn until 1:00 P.M., Tuesday, March 10. Senators Gardner and McCann requested a roll call on said motion. Agreed.

On the roll call the vote was yeas 3—Gay, Mobley, Van Hoose. Nays 23—Billington, Blue, Brizendine, Buckman, Cobb, Derickson, Duffy, Edwards, Engle, Gardner, Garrett, F. Johnson, Kelly, Kinkead, Kiser, Mann, McCann, Newberry, Nichols, Raybourne, Spence, Swope, Ware.

The motion to adjourn was rejected.

Recess

Senator Gardner moved that the Senate recess for the purpose of having a Joint Session with the House to hear a message from the Honorable Edward T. Breathitt, Governor of the Commonwealth of Kentucky. Agreed.

Lt. Governor Waterfield

Mr. President Pro Tem of the Senate

Mr. Speaker of the House

Members of the General Assembly

On February 10 I appeared in this chamber and presented to you for your approval an operating budget for State Government for the next two years. This budget was conceived in discussions with hundreds of Kentuckians from all parts of the state, representing all segments of our citizenry. It was sharpened in conferences with prominent leaders knowledgeable in the needs and desires of our people and in what is best for our Commonwealth.

The plan I presented stood the test of your further evaluation and extensive public discussion and has become law. The budget you passed sets us upon a course of action I believe to be the most desirable for state government and for all Kentuckians in the four years that lie ahead.

I said at the time that I delivered the operating budget message that I would have a message for you later concerning capital construction for those agencies which receive their primary support from the General Fund and also a proposal regarding the financing of new highways. My message to you today is on these subjects.

My election in November was a directive from the people to proceed with the program contained in the Democratic platform. The mandate was well defined. The course of action was clear. This course of action was reflected in the operating budget which I presented and which passed the General Assembly.

In a very real sense, the people of Kentucky wrote the operating budget for the Commonwealth when they voted in November and we have simply ratified their decisions.

The people have not had, to my satisfaction, however, an opportunity to speak clearly on the matter of a capital improvement budget. I want them to have an opportunity to do so.

I am asking therefore for your consent to present to the voters in November of 1965 a referendum on the sale of $176 million in general obligation bonds for highway construction and other capital outlay programs. In this fashion we will be guided directly by the wishes of the people.

Tax revenues are not presently available to support the capital requirements of State Government. If we are to meet those needs, therefore, our only alternatives are to issue general obligations bonds and revenue bonds. Our experience with both these sources of income is good, and the credit of the Commonwealth is excellent. They enable us to do those things which are necessary but which we cannot otherwise afford immediately.

The principal outstanding on revenue bonds issued by the State totals $400,583,612 to date. These bonds will be retired by people utilizing the facilities for which the bonds were issued and will not require tax revenue. Highway tolls, for example, will retire turnpike bonds; rooms rentals will retire dormitory bonds at our colleges and rents charged to guests will retire park bonds.

General obligation bonds are of a completely different nature. They must be voted by a majority of the people and they pledge the full faith and credit of the Commonwealth in repaying the bonds through normal tax channels. A favorable vote on a referendum to issue $176 million in general obligation bonds will be a decision by the public to build in the same way that an expanding industrial corporation will borrow funds to build a new plant or buy new machinery.

The general obligation debt of Kentucky today totals $319,335,000. The proposed borrowing would raise this figure to $495,335,000. This total is approximately $204,665,000 less than one year's income for State Government. Not many major businesses have total obligations that could be retired with only one year's income.

An additional bond issue of $176 million in no way approaches the point of endangering the State's strong financial position. Based on the current interest rate, bonds could be sold for a 30-year period at an interest rate of only about three and one-half per cent. At this rate of interest about nine and one-half million dollars will be required annually to retire the debt.

I believe that the growth in our economy will be adequate to take care of the additional obligation which we will assume by this bond issue. Consistent with my pledge to exercise fiscal responsibility, should there be changes in economic conditions which would require additional State income, I would recommend an increase in motor vehicle registration fees on a graduated basis.

The bond issue which I recommend that the General Assembly present to the people of Kentucky for their approval would be for these purposes:

Highways. One hundred thirty-nine million dollars would be dedicated to the construction of highways and would assure us that Kentucky continue to take advantage of every Federal dollar available for completing our interstate system and for pushing primary road construction in all parts of the state.

The interstate highway program provides nine Federal dollars for every State dollar and is a bargain we can't turn down. Another bargain may be forthcoming in the development of an improved road system for the Appalachian area of Kentucky. President Johnson will soon submit to Congress a comprehensive proposal for development of this region and improved highways will be a cornerstone of his proposal. Kentucky will certainly want to take full advantage of this opportunity to make basic advances in Eastern Kentucky.

Education. Twenty-two million, five hundred ninety-five thousand dollars would be dedicated to education.

This would include $14,110,000 for the construction of classroom buildings and dormitories at the University of Kentucky, and for construction at the five state colleges.

Three million dollars would go toward construction of the medical center at the University of Louisville. The continuing critical shortage of doctors and dentists in Kentucky warrants the inclusion of this project in the bond issue.

The School for the Deaf would get $425,000 for improvement of its facilities; the School for the Blind would receive $425,000; and

$550,000 would go for a building to house the Industries for the Blind in Louisville.

Construction of new vocational school facilities and expansion of old facilities would require $3,440,000. A State library to serve as the center of the state-wide library extension program is proposed at an estimated $645,000.

Parks. Our State park system would get $4,500,000 for construction of new facilities designed to keep it in its position of preeminence among all state parks systems. This amount will not only help assure us our place of leadership but will contribute substantially to our economic growth by helping continue the expansion of our tourist industry.

Health and Welfare. Seven million, one hundred thousand dollars is proposed for capital improvements which would provide facilities to care for the mentally ill and the mentally retarded and to help speed the rehabilitation of those in our penal institutions.

Planned are a crib case facility for severe cases of mental retardation; community facilities for both the mentally ill and the mentally retarded; new centers for receiving, diagnosing and rehabilitating both adult and juvenile offenders; new farm dormitories at each of our two major penal institutions; two forestry camps for the rehabilitation of adult prisoners, and county health centers in twenty Kentucky counties.

Conservation. To continue the progress we have made in developing a chain of lakes across Kentucky, one million dollars is suggested for the construction of additional lakes to provide a local water supply for industry, recreation, and flood control. One hundred thousand dollars is included for forest fire control facilities.

Agriculture. Seven hundred thousand dollars is asked for construction of an animal disease diagnostic laboratory, and $200,000 for construction of livestock show and sale facilities at Murray State College and the State Fairgrounds.

Airports. In order to continue the airport development program which has been so successful during the last few years, I am asking $505,000 to match Federal and local funds for airport construction and for improvement of existing airports.

Public Safety. Three State Police barracks are included at an estimated cost of $100,000 each.

The construction which I have described for General Fund agencies will require $37 million of the bond issue. When this amount is matched with federal, local and Revenue Bond funds it will provide facilities worth $108,053,290 to the people of Kentucky.

The $139 million set aside in the issue for Highway construction will be matched by federal funds in ratios ranging from 50-50 to 90-10 and will make possible highways worth many times the amount acquired by the bond sale.

I think you will agree that the objectives of this bond issue are sound—that they are commendable. This proposal has been developed in consultation with those responsible for the programs it would help advance. It does not provide all the funds for all the construction that is desired either by those concerned with the programs or by me. It does, however, strike a balance between our capital needs and the amount of borrowing it is wise to attempt during this biennium.

I respectfully request that you give the people an opportunity to vote on these recommendations. Their approval will contribute significantly, I believe, toward the continued and orderly progress of Kentucky during the next few years.

After a time the President resumed the chair and called the Senate to order.

Senator Gardner moved that the Senate adjourn until 1:00 P.M., Tuesday, March 10. Agreed.

TUESDAY, MARCH 10, 1964

FIFTY-FIRST LEGISLATIVE DAY

The Senate was called to order by the President.

Prayer by the Reverend Herman Bowers of the First Baptist Church of Frankfort.

The roll was called. All present except Senators Bonn, Duncan and Kidwell, who were granted leave of absence on motion of Senator McCann.

Reading of the Journal for March 9 dispensed with and the same approved on motion of Senator McCann.

House Message

Announcing passage of **HB 145, HB 3, HB 371, HB 350, HB 348, HB 73, HB 11, HB 147, HB 256, HB 330.**

Introduction of Bills and Resolutions

SR 39, by Senators Nichols and Fairis Johnson: A RESOLUTION congratulating Kiwanis International for establishing and maintaining a Capitol Prayer Room.

WHEREAS, Kiwanis International is a civic organization dedicated to the improvement of the welfare of society; and

WHEREAS, one of their civic projects has been to establish and maintain a Capitol Prayer Room on the second floor of the Capitol Building,

NOW, THEREFORE,

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky:

That the Senate show its appreciation for this worthwhile project by congratulating Kiwanis International for establishing and maintaining the Capitol Prayer Room.

Senator Nichols moved the adoption of **SR 39.** Agreed.

SR 40, by Senator Van Hoose: A CONCURRENT RESOLUTION relating to a Legislative Research Commission subcommittee on institutions.

Be it resolved by the Senate of the Commonwealth of Kentucky, the House of Representatives concurring therein:

Section 1. That the Legislative Research Commission shall appoint a special subcommittee on welfare and charitable institutions;

That this subcommittee shall be composed of members of the House of Representatives and of the Senate and appointed pursuant to KRS 7.110 (5).

Section 2. That this standing subcommittee of the Legislative Research Commission shall investigate the operation of charitable and welfare institutions of the Commonwealth and of its subdivisions as necessary;

That this subcommittee shall proceed under the authority granted by KRS 7.100 (2) and shall report pursuant to the provisions of KRS 7.100 (2).

Senator Van Hoose moved the adoption of **SR 40**, seconded by Senator Gardner. Agreed.

SR 41, by Senators Miller, Layne, McGinty, Howard, Van Hoose and McCann: A RESOLUTION concerning the abandonment of the Guantanamo Bay Naval Base.

WHEREAS, a naval base situated in the Caribbean Sea has long been considered a necessity for the United States; and

WHEREAS, the Guantanamo Bay Naval Base is strategically located in the Caribbean Sea and has contributed greatly to the protection of United States' interests in that area; and

WHEREAS, Guantanamo is a deep water base and is of great importance to the United States Navy; and

WHEREAS, abandonment of this base would demonstrate to our allies that we have given up our resistance to Communist Cuba;

NOW, THEREFORE,

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky:

That any planned abandonment of the Guantanamo Bay Naval Base by the United States Navy is hereby opposed by the General Assembly of the Commonwealth of Kentucky.

Senator Miller moved the adoption of **SR 41.** Agreed.

SB 246, by Senators Spence, VanHoose, Buckman, McCann, Howard, Swope, Kinkead, Layne, Kelly, Fuqua, Gay, Mobley, Newberry, Fairis Johnson, Brand, Edwards, Garrett, Billington, Bonn, Ware, McGinty, Cobb, Derickson, Palmer, Brizendine, Donald Johnson, Turner, Engle, Gardner, Blue, Duncan, Raybourne, Duffy and Miller:

AN ACT regulating the shipment of damaged motion picture films.

SB 247, by Senators Garrett and Ware: AN ACT relating to debts and debtors.

SB 248, by Senators Duffy, Turner and Newberry: AN ACT relating to wages and hours.

SB 249, by Senator Kelly: AN ACT relating to the State Veterinarian.

Report of Committee

Committee on Rules reported **SB 69, SB 240, HB 61, SB 216, SB 217, SB 220, SB 221, HB 249**, with Committee Amendment, **HB 348, SB 244, SB 148, SB 243, SB 227, SB 238, HB 38, SB 235, SB 226, SB 96, HB 208, HB 324**, with Committee Amendment, **SB 210, SB 223, HB 140, HB 210** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 69, AN ACT relating to the sale of certain merchandise on Sunday.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. The purpose of this Act is to promote the health, recreation and welfare of the people of this state by prescribing the operation of any wholesale or retail business whether by an individual, partnership or corporation contrary to the provisions of this Act.

Section 2. Any person on Sunday, who sells or offers for sale or shall compel, force or oblige his employes to sell any clothing, wearing apparel; clothing accessories, footwear, furs; housewares, furniture, floor coverings; home, business or office furniture and furnishings; household, business or office appliances; guns, hardware, tools and paints; building and lumber supply materials; jewelry, silverware; luggage or leather goods; musical instruments and records; toys, excluding novelties and souvenirs; new automobiles and trucks; radios and television sets, receivers, record players; recording devices and components and parts therefor; projectors and parts and equipment therefor; business and office machines; optical goods, except sunglasses; yard goods and trimmings shall be guilty of a misdemeanor.

Section 3. (1) Nothing herein shall apply to any sale or sales for charitable purposes or to items used for funeral or burial purposes or to items sold as a part of or in conjunction with the sale of real property.

Section 3. (2) Occasional sales of any item named herein by a person not engaged in the business of selling such items shall be exempt from this Act.

Section 4. (1) For the first offense under this Act, the punishment shall be by fine of not more than Two Hundred Dollars ($200.00). If it is shown upon the trial of a case involving a violation of this Act that defendant has been once before convicted of the same offense, he shall on his second conviction and on all subsequent convictions be punished by imprisonment in jail not exceeding six (6) months or by a fine of not more than Five Hundred Dollars ($500.00), or both. On the second or any subsequent offense the court may also suspend or revoke the license to do business within the state of the person, firm or corporation so convicted.

Section 4. (2) Each separate sale, or offer to sell shall constitute a separate offense and each Sunday a person is engaged in or employs others to engage in the sale, trade or exchange of property in violation of the law shall also constitute a separate offense.

Section 4. (3) The operation of any wholesale or retail business whether by an individual, partnership or corporation contrary to the provisions of this Act is declared to be a public nuisance and any person may apply to any court of competent jurisdiction for and may obtain an injunction restraining such violation of this Act. Such proceedings shall be guided by the rules applicable to other injunction proceedings.

Section 5. Section 436.160 of the Kentucky Revised Statutes is repealed.

SB 240, AN ACT relating to stenographic reporters.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 28.510 is amended to read:

The judge of the police court in cities of the first class *and cities of the second class, in counties having a population of seventy-five thousand or more,* may appoint, for a term of not more than four years, a stenographic reporter. He shall be paid by the city a salary of three thousand dollars per annum, and the judge may remove him at pleasure. The stenographer may have such vacation as the judge allows, not exceeding thirty days in any one year. During vacation, the judge of the police court may appoint a reporter pro-tem who shall be paid at the rate of ten dollars per diem during the vacation period of the regular stenographic reporter. The reporter pro tem's salary shall not exceed three hundred dollars in any one year.

HB 61, AN ACT relating to elections.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 117.795 is amended to read:

(1) In counties containing a first-class city, each member of the county board of registration and purgation shall receive compensation of not less than $1200 per year, the exact amount to be fixed by the fiscal court and paid monthly. In all other counties, each member of the county board, and the secretary thereof, shall receive compensation of fifteen dollars per day for each day in session, and in addition, the secretary may receive compensation for fifteen days while the board is not in session. The compensation of members of county boards of registration and purgation in counties other than those containing a city of the first class shall be paid one-half by the fiscal court and one-half by the state. No board member shall be paid for more than thirty-four days in each year.

(2) *The county board of registration and purgation shall meet:*

(a) *Not more than ten days each year in counties having less than ten thousand population;*

(b) *Not more than sixteen days each year in counties having a population of not less than ten thousand nor more than twenty thousand;*

(c) *Not more than thirty-four days each year in counties having more than twenty thousand population* [In counties] that do not have a city of the first class, [the board shall meet for not more than thirty-two days each year,] for five days after the closing of registration books before each primary election, for five days after the closing of registration books before each general election for twenty days at any other time of the year when the registration books are open, provided that no part of the twenty-day period shall occur later than seventy-nine days before the May primary election or the general election, and for the performance of the duties set out in KRS 117.850, for two days after the registration books are opened following each primary election.

(3) In counties having a city of the first class, the board may meet at any time necessary to perform its duties, and shall remain in session for the purpose of hearing challenges continuously from the date that the registration books are closed before any primary or regular election, but in all counties the purgation must be concluded at least twenty days before any primary or general election. In all counties the board shall hold all of its meetings at the courthouse unless it is necessary that it hold meetings at some other place in the county, but no meeting shall be held at any other place in the county

unless the persons affected by the meetings are given written notice of its time and place.

(4) [(3)] If any county board fails to meet as herein required and fails to make a diligent effort to effect an adequate purgation, then any citizen of the county may prefer charges against said board before the state board, which charges shall be heard and disposed of within five days after notice has been given to the county board for five days. If after the hearing the state board determines that the county board has failed to make a diligent effort to effect an adequate purgation, the state board shall direct the county board to act, and in the event the county board fails to act within fifteen days, the state board shall declare all positions on the county board vacant and appoint a new board. If the state board fails to act on said charges as herein provided then said citizen may apply for a summary mandatory order to the circuit court judge of the county.

Section 2. KRS 117.800 is amended to read:

For the correction of clerical errors, both the county boards and the board of commissioners of cities of the first class shall stay in session on primary and general election days, and are authorized to make to the election officers such certifications as may be necessary. On said days appeals may be made to the county judge or circuit judge, as the case may be, except that in cities of the first class all appeals shall be made to a circuit judge. Sessions of the board held on primary and general election days shall not be counted in the [thirty-two day] limit on sessions provided in subsection (2) of KRS 117.795.

SB 216, AN ACT relating to area planning.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 147.610 is amended to read:

In any two or more adjacent counties, one of which has *one or more cities, or in one county which has a city of the first class,* [a city having a population of more than 50,000 and not more than 200,000 inhabitants as declared by the last federal census,] the various cities and the counties *or county* may consolidate their planning operations by establishing an area planning commission which may be created under the provisions of *KRS 147.610 to 147.710,* [KRS 100.610 to 100.710] when in the judgment of the legislative bodies of said cities and counties *or county* a consolidation provides for a more efficient planning operation.

Section 2. KRS 147.620 is amended to read:

If the fiscal courts of any two or more adjacent counties, *or the fiscal court of a county containing a city of the first class,* elect to be consolidated as provided in KRS 147.610, and the respective legislative bodies of cities representing more than two-thirds of the population of the residents living within the boundaries of *cities* [corporate territories] of each county, *or if applicable, the county containing a city of the first class,* by ordinance or resolution elect to consolidate as provided in KRS 147.610, then the cities and counties so affected shall authorize the execution of a contract *among* [between] themselves agreeing to participate in the creation of an area planning commission and agreeing to be governed by the provisions of KRS 147.610 to 147.710. When a sufficient number of *cities* [municipalities] and *the* counties or county have executed said agreement, copies shall be filed in the office of the clerk of each of the counties affected. Thereupon an area planning commission is established, *and all cities within each county shall thereby be members and may appoint a representative to the area council as provided for in KRS 147.640. The territorial jurisdiction of the area planning commission shall include the entire area of the member counties, both incorporated and unincorporated.*

Section 3. KRS 147.630 is amended to read:

(1) The area planning commission as created under the provisions of KRS 147.610 to 147.710 shall be composed of not more than nine members who shall be selected from *cities and counties* [governmental units] participating in the existence of the area planning commission by the affirmative action of the area council hereinafter provided for. *Any or all members may be, but need not be, members of the area council.*

(2) Of the initial membership five members shall be elected for a term of two years, and four members for a term of one year each, and upon the expiration of their respective terms the successors of each shall be elected for a term of two years.

(3) At its first regular meeting in each year, the commission shall elect from its membership a chairman and a vice-chairman. The vice-chairman shall have the authority to act as the chairman during the absence of *the* [its] chairman.

(4) The commission may appoint from within or without its own membership, a secretary, prescribe his duties and fix his compensation.

(5) Members of the commission may be removed for *incompetence, neglect of duty, malfeasance in office, or conflict of interest* [caused] by an affirmative action of the area council.

(6) Vacancies may be filled at any time by the affirmative action of the area council for the unexpired term existing.

(7) Each member of the commission, before entering upon his official duties, shall take and subscribe to an oath that he will honestly,

faithfully, and impartially perform the duties of his office, and that he will not be interested in any contract let for the purpose of carrying out any of the provisions of KRS 147.610 to 147.710. The oath shall be filed with the clerk of the county court in the county of his residence.

(8) Each member of the commission shall give a good and sufficient bond, to be approved by the area council, conditioned upon the faithful and honest performance of his duties, and as security for all moneys coming into his hands or under his control. The cost of the bond shall be paid by the commission.

(9) A quorum shall consist of a majority of the members of the commission.

(10) The commission shall appoint a treasurer from within or without its membership, prescribe his duties and fix his compensation. The treasurer shall execute a good and sufficient bond, conditioned upon the faithful and honest performance of his duties and as security for all moneys coming into his hands or under his control. Said bond shall be in the penal sum of twenty-five thousand dollars. The cost of the bond shall be paid by the commission.

(11) Meetings shall be held at the call of the chairman [.] *or established at regular intervals according to resolution adopted by the commission.*

Section 4. KRS 147.640 is amended to read:

(1) In order to provide more effective representation of the various *cities and counties* [governmental units] participating in the creation of the area planning commission, an area council shall be created.

(2) The area council shall be composed of one member elected by the legislative body of each *city* [municipality] and county within the area planning territory.

(3) *Each of the governmental units comprising the area which has elected to form an area planning commission shall elect its member to the council for a two-year term, or until a successor is elected, beginning on the first Monday of January in the years ending in even numbers. If the area planning commission is formed in a year ending in an odd number, then the term shall be to the first Monday in January of the next succeeding year which ends in an even number. The members so elected may be, but need not be, elected from within the legislative bodies of the municipalities or counties.* [Each year the various governmental units, composing the area territory, shall elect their members for the area council.]

(4) At its first regular meeting in each year, the council shall elect from its membership a president and vice-president. The vice-

president shall have the authority to act as president of the council during the absence or disability of the president.

(5) The council may appoint from within or without its own membership a secretary, prescribe his duties and fix his compensation.

(6) The council shall confer in an advisory capacity with the area planning commission created hereunder. [All actions taken by the council must receive the affirmative vote of each county and each city of the second class and one-half of the remaining membership for passage.]

(7) The area council may budget in each year for the payment of a per diem for each member of the area planning commission. [not to exceed the sum of twenty dollars per day for each day the commission is in actual session, not to exceed in any one year the sum of one thousand dollars for each member.]

(8) A quorum of the area council shall consist of a majority of its membership.

Section 5. KRS 147.650 is amended to read:

The *comprehensive* [master] plans or portions thereof of each of the *cities and counties* [participating units of government] *and* [, including] all zoning ordinances and amendments, supplements and changes thereto, heretofore and hereafter adopted by the said units, and all action taken under the authority of such ordinances shall continue and be in effect unless they are in conflict *with the comprehensive plan established by the commission.* [as to planning with actions taken by the area planning commission.]

Section 6. KRS 147.660 is amended to read:

(1) The area planning commission created hereunder, when accepted by the cities and counties affected as provided for herein, shall then by a political subdivision and shall be in perpetual existence, with power to sue and be sued, contract and be contracted with, incur liabilities and obligations, *and* levy an annual tax. [which] *If levied, the tax* shall not exceed [more than] five cents upon each one hundred dollars of the assessed valuation of property within the counties affected, *and shall* [to] be used for the purpose of defraying all expenses necessary and incidental to carry out the continuing activities of the area planning commission. This tax shall be certified to the auditors and county clerks of the various counties and by them to the respective treasurers of the counties, signator to the contract provided for in KRS 147.620. The tax shall be based upon the last preceding assessment for state and county purposes. [, its] *Its* collection shall *be imposed upon all property within the counties participating and shall* conform to the collection of taxes for counties and the same provisions concerning the non-payment of taxes shall

apply. The tax shall be added by the county clerk to the next state and county tax bill following levy of the tax by the area planning commission, and shall be collected concurrently with state and county taxes. The sheriff shall be allowed a fee not to exceed four percent for collection.

(2) In the performance of its duties, the area planning commission may cooperate with, contract with, or accept funds from federal, state, or local public or semipublic agencies, or private individuals or corporations *within or without the Commonwealth of Kentucky,* and may expend such funds and may carry out such cooperative undertakings and contracts.

Section 7. KRS 147.670 is amended to read:

(1) To effectuate the purposes of KRS 147.610 to 147.710 the area planning commission shall have the power and duty to:

(a) Establish a *comprehensive* [master] plan of the entire area within its jurisdiction or portions thereof, which may include any part or all of the plans set out in KRS 147.650. The *comprehensive* [master] plan shall include studies of the population and the economy of the area of jurisdiction of the area planning commission and shall include proposals for future land use, major streets, highways, and other public grounds, places and buildings for all or part of that area;

(b) Appoint an executive director for the commission and fix his compensation. The director shall be qualified by training and experience in the field of planning and zoning;

(c) [Establish a land use plan of the entire area under its jurisdiction or portions thereof, if it deems it necessary. The area land use plan may include the zoning plans now adopted by the various cities affected, but shall include a map of the entire area of its jurisdiction showing the land use districts into which it is divided. It shall] *Prepare* [prepare] a text *and map* consisting of general minimum standards or requirements for *zoning.* [these zones.] The text and portion of the *zoning* map pertaining to the jurisdiction of each governmental unit in the area planning commission shall be presented to the legislative bodies of the various governmental units. [with the recommendation that they be adopted by ordinance or order. Provided, however, that] *Any* [any] governmental unit under the jurisdiction of the area planning commission may adopt more strict regultions or impose higher standards. [of land use than adopted by the land use plan;]

(d) Prescribed the qualifications of, appoint, remove and fix the compensation of employees of the commission;

(e) Prepare, publish and distribute reports and other material relating to the business of the commission;

(f) Prepare and submit an annual budget for the operation of the commission;

(g) Exercise general supervision of and make regulations for the administration of the affairs of the commission;

(h) Prescribe uniform rules pertaining to investigations and hearings;

(i) Keep an accurate and complete record of all commission proceedings, financial statements, and annual report to the various cities and counties, signators to the agreement provided in KRS 147.620;

(j) *Require from other political subdivisions and other agencies records, or copies thereof, and other information necessary for the work of the commission;*

(k) *Enter upon any land to make examinations and surveys in the performance of its duties, provided such entries do not occasion damage or injury to private property;*

(l) *Apply for injunctions or other appropriate legal remedies to prevent the violation of requirements in accordance with the provisions of KRS 147.610 through KRS 147.710;*

(2) *The commission may contract to perform the same or similar services as those enumerated above for individual planning units either within or without the area planning boundaries.*

Section 8. KRS 147.680 is amended to read:

Within the area planning boundaries:

(1) A copy of all incorporations, annexations, de-annexations, creation of or changes in boundaries of fire districts, water districts, sewage districts, sanitation districts and school districts shall be filed in the office of the area planning commission, and no such action shall have legal effect until a copy has been so filed.

(2) Whenever a comprehensive plan or element thereof, zoning ordinance including zoning map, subdivision regulations, subdivision plat of record, building code, plumbing code, electrical code, housing code or street improvement standard is adopted or amended, a copy thereof shall be filed in the office of the area planning commission; provided, however, that none of the above shall be declared invalid on the ground that it has not been filed in accordance with this subsection.

(3) It shall be unlawful for any person, firm, corporation or public official to construct or authorize the construction of any public street, public roadway, public parkway, public grounds, public place or public utility, privately or publicly owned, within the area planning boundaries until and unless the proposed location and extent of such public construction or authorization shall have been approved by the

area planning commission upon proper presentation and hearing. Notice of such hearing shall be given as provided for other hearings.

Section 9. KRS 147.690 is amended to read:

Prior to the adoption of a *comprehensive* [master] plan, or a portion thereof, or any amendments thereto, as herein provided for, the area planning commission shall give notice and hold a public hearing thereon. At least ten days prior to the date set for said hearing the commission shall publish in a newspaper of general circulation in each of the counties, signators to the agreement provided for in KRS 147.620, a notice of the time and place of hearing.

Section 10. KRS 147.700 is amended to read:

After a public hearing has been held the commission may adopt the *comprehensive* [master] plan or portion thereof, or any amendment thereto, and certify it to the various cities and counties, signators to the agreement provided for in KRS 147.620, one copy of which shall be placed on file in the office of the county clerk of each of said counties.

SB 217, AN ACT relating to planning, zoning, subdivision regulations, and official maps.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. In enacting this Act, it is the intention of the General Assembly to enable the various cities, counties, or combinations of cities and counties to make plans for their physical development, and to provide certain means for implementing their plans.

Section 2. As used in this Act, unless the context otherwise requires:

(1) "Administrative official" means any department, employee, or advisory, elected, or appointed body which is authorized to administer any provision of the zoning ordinance, subdivision regulations, and, if delegated, any provision of any housing or building ordinance or any other land use control ordinance;

(2) "Board" means the board of adjustments unless the context indicates otherwise;

(3) "Citizen member" means any member of the planning commission or board of adjustments who is not an elected or appointed official or employee of the city or county. Members of urban renewal and housing commissions are citizen members if they hold no other elected or appointed position or if they are not employed by the city or county;

(4) "Commission" means planning commission;

(5) "Conditional use" means a use which is essential to or would promote the public health, safety, or welfare in one or more zones, but which would impair the integrity and character of the zone in which it is located, or in adjoining zones, unless restrictions on location, size, extent, and character of performance are imposed in addition to those imposed in the zoning ordinance;

(6) "Conditional use permit" means legal authorization to undertake a conditional use, issued by the administrative official pursuant to authorization by the board of adjustments, consisting of two parts:

(a) A statement of the factual determination by the board of adjustments which justifies the issuance of the permit; and

(b) A statement of the specific conditions which must be met in order for the use to be permitted;

(7) "Fiscal court" means the chief body of the county with legislative power, whether it is the fiscal court, county commissioners, or otherwise;

(8) "Housing or building ordinance" means any ordinance which incorporates any housing, building or safety code, including, but not limited to such codes as plumbing, electrical, elevator, boiler, fire safety, and minimum housing, or any other ordinance regulating health, safety or general living conditions;

(9) "Legislative body" means the chief body of the city with legislative power, whether it is the board of aldermen, the general council, the common council, the city council, the board of commissioners, or otherwise;

(10) "Mayor" means the chief elected official of the city whether the official designation of his office is mayor, chairman of the board of trustees, or otherwise;

(11) "Non-conforming structure" means a building, sign, structure or portion thereof which lawfully existed before the adoption or amendment of the zoning ordinance but which does not conform to all of the regulations contained in the zoning ordinance which pertain to the zone in which it is located;

(12) "Non-conforming use" means an activity which lawfully occupied a building or land before the adoption or amendment of the zoning ordinance, but which does not conform to the use regulations which the zoning ordinance imposes in the zone in which the activity is located;

(13) "Ordinance" unless otherwise indicated, means any enactment by the body of a city or county which has legislative power, whether it is an ordinance, an order, a resolution, or otherwise;

(14) "Planning operations" means the formulating of plans for the physical development and social and economic well-being of a planning unit, and the formulating of proposals for means of implementing the plans;

(15) "Planning unit" means any city or county, or any combination of cities, counties, or parts of counties engaged in planning operations;

(16) "Plat" means the map of a subdivision;

(17) "Political subdivision" means any city or county;

(18) "Several" means two or more;

(19) "Public facility" means any use of land whether publicly or private owned, for transportation, utilities, or communications, or for the benefit of the general public, including, but not limited to libraries, schools, fire or police stations, county buildings, municipal buildings, recreational centers including parks, and cemeteries;

(20) "Space variance" means a departure from the terms of the zoning ordinance pertaining to height, area, size of structure and size of yards and open spaces, where such departure will not be contrary to the public interest, and where, owing to conditions peculiar to the property because of its size, shape or topography, and not a result of the actions of the applicant, the literal enforcement of the zoning ordinance would result in unnecessary and undue hardship;

(21) "Street" means any vehicular way;

(22) "Structure" means anything constructed or made, the use of which requires permanent location in or on the ground or attachment to something having a permanent location in or on the ground, including buildings and signs;

(23) "Subdivision" means the division of a tract or parcel of land where the division creates one or more lots, sites, or parcels or more for the purpose, immediate or future, of sale or lease for building development, and includes resubdivision;

(24) "Unit" means planning unit.

Section 3. (1) Any city or county may make plans for its physical development, and may employ any of the controls which are provided in this Act to implement its plans. No county may engage in planning operations as an independent operation if there are any cities contained within it which wish to consolidate their planning operations with it. Before a county may engage in an independent planning operation, it must interrogate every city then incorporated within its boundaries to determine whether the city desires to enter into an agreement to combine planning operations. The interrogation shall be in writing, addressed to the various legislative bodies of the cities, stating the proposed terms for combination, all of which shall be reasonable. The city which has been interrogated shall have ninety days in which to answer in writing and the county may assume that any city answered in the negative if it has not answered within ninety days. If no city answers in the affirmative, then the county may engage in an independent planning operation. If a county has been operating under an agreement under which its planning operations have been combined with one or several cities and the combination is broken, then it may follow the procedure set forth in this subsection before it engages in an independent planning operation, but failure to do so shall not invalidate its organization or plans;

(2) At any time the legislative bodies of the various cities, and the fiscal courts of counties may enter into agreements to combine planning operations. Combinations may include any combination of cities, counties, or parts of counties, where they form a functional unit. In making this determination, consideration shall be given to whether they are adjacent, to whether there are topographic conditions which provide natural boundaries, and to the relative efficiency, economy, and effectiveness of such a combination. All agreements for the combination of planning operations shall be in writing, and shall describe the boundaries of the area involved, and shall contain all details which are necessary for the establishment and administration of the planning unit. Approval of the agreement shall be by ordinance, and the agreement shall be executed by the parties to the agreement, and filed in the office of the clerk of county court of all counties which are parties to the agreement or which contain a city which is a party to the agreement. The clerk of the county court may charge a fee of two and one-half dollars for the filing of the agreement. Combination under this subsection shall be permitted notwithstanding the fact that the governmental units are also involved in area planning under KRS 147.070-147.180. Combined planning operations shall be jointly financed, and the agreement shall state the method of proration of financial support. Any city or county which wishes to withdraw from the unit may do so at the end of its fiscal year only, after it has given notice to all other cities and counties in the unit of its intention to withdraw at least 90 days prior to withdrawal. In no event may any city or county withdraw its financial support from the unit without withdrawing from the unit completely;

(3) Agreements for the consolidation of planning operations shall be in existence as long as at least two of the original signators are operating under the combination despite the fact that other signators have withdrawn from the unit. In addition, any other city, county, or part of a county may be admitted to the unit under the existing agreement by filing a copy of the agreement in the office of the clerk of the county court along with a statement as to when it was admitted to

the unit. The clerk may charge a fee of two and one-half dollars for the filing;

(4) Any city or county may contract with any planning commission or any area planning commission established under KRS 147.410-147.710, to perform planning operations. The contract shall be in writing, signed by the mayor of the city or the county judge of the county, as appropriate, and the chairman of the planning commission which is to perform the planning operations, and the agreement shall be approved by the city or county in an ordinance;

(5) Pursuant to 40 U.S.C.A. 461(f) the various cities and counties which comprise a planning unit are hereby authorized to enter into agreements with cities and counties of any adjoining state to participate jointly in planning and to spend the necessary funds for such participation. All agreements shall specify the duration of the joint participation, and shall contain detailed provisions pertaining to purpose, scope, and administration of the joint effort. The agreement shall be filed in the office of the Secretary of State, and shall have the status of an interstate compact.

Section 4. Before a planning unit may engage in planning operations a planning commission shall be appointed for the unit. Before any zoning ordinance may have legal effect within the planning unit a board of adjustments shall be appointed for the planning unit.

Section 5. A planning commission shall consist of at least five but not more than ten members. The Governor shall have the privilege of appointing a member to the commission to which the Capital City belongs in addition to the number of members specified for that planning commission. Where extra territorial jurisdiction is exercised for subdivision regulations, the county judge of each affected county may appoint a member to the planning commission of the city exercising such jurisdiction in addition to the number of members specified for that planning commission. At least two-thirds of the members of every planning commission shall be citizen members.

Section 6. A board of adjustments shall consist of three, five, or seven members, all of which must be citizen members, and any or all of which may be citizen members of the planning commission.

Section 7. The mayor of each city shall be the appointing authority for members of the planning commission and board of adjustments of the city, and the county judge of each county shall be the appointing authority for members of the planning commsision and board of adjustments of the county. Where one city or county is engaged in an independent planning operation, an ordinance shall state the number of members to be appointed to the planning commission and board of adjustments. Where several cities or counties or parts of counties have combined planning operations, the agreement under which the unit operates shall state the number that each mayor and county judge shall appoint. If one city only has combined with one county only, the agreement shall provide for equal representation by each. Appointing authorities may appoint themselves to planning commission for which they have the authority, but boards shall be comprised of citizen members only.

Section 8. The term of office of all elected public officials appointed to a planning commission shall be the same as their official tenure in office. The term of office for other members of the planning commission and for the board of adjustments shall be four years, but the term of office of members first appointed shall be staggered so that a proportionate number serve, one, two and three years respectively. The pattern for staggering the terms of the members first appointed shall be stated in an ordinance or in the agreement under which the unit operates, as applicable.

Section 9. Vacancies on the planning commission or board of adjustment, regardless of how they occur, shall be filled within sixty days by the appropriate appointing authority. When a vacancy occurs other than through expiration of the term of office, it shall be filled for the remainder of that term. A planning commission and a board of adjustments may transact business as usual while there exist vacancies, unless more than one-third of the total positions, as established by ordinance or agreement are vacant, or unless a vacancy has existed for longer than sixty days. As long as either of these conditions exists, the planning commission or the board of adjustments shall lack the capacity to transact any business or hold any hearings.

Section 10. All members of planning commissions and boards of adjustments shall, before entering upon their duties, qualify by taking the oath of office prescribed by Section 228 of the Constitution of the Commonwealth of Kentucky before any judge, notary public, clerk of a court, or justice of the peace within the district or county in which he resides.

Section 11. In the ordinance or agreement under which the planning unit operates, as applicable, reimbursement for expenses or compensation, or both, may be authorized for citizen members of a planning commission or a board of adjustments. Reimbursement for expenses may be authorized for public officials and employees of participating cities and counties who are members of the planning commission or the board of adjustments, but such members shall receive no compensation.

Section 12. Any member of a planning commission or board of adjustments may be removed by the appropriate appointing authority for inefficiency, neglect of duty, malfeasance, or conflict of interest.

Any appointing authority who exercises the power to remove a member of the planning commission or board of adjustments shall submit a written statement to the commission setting forth the reasons for removal, and the statement shall be read at the next regularly scheduled meeting of the planning commission or called meeting of the board of adjustments, as applicable, which shall be open to the general public. The member so removed shall have the right of appeal from the removal in the circuit court of the county in which he resides.

Section 13. Each planning commission or board of adjustments shall elect a chairman, and may elect a vice-chairman and any other officers which it deems necessary. All officers shall be citizen members. The term of office for all officers shall be one year, and any officer shall be eligible for re-election at the expiration of his term.

Section 14. Each planning commission shall conduct regular meetings as it deems necessary for the transaction of its business; provided that there shall be at least six regular meetings annually. The schedule for regular meetings shall be expressed in the rules and regulations of the commission. Special meetings shall be held at the call of the chairman who shall give written or oral notice of the meeting to each member, which notice shall contain the date, time, and place, and the subject or subjects which will be discussed.

Section 15. Each board of adjustments shall conduct meetings at the call of the chairman who shall give written or oral notice to all members of the board at least two days prior to the meeting, which notice shall contain the date, time, and place for the meeting, and the subject or subjects which will be discussed.

Section 16. All planning commissions and boards of adjustments shall adopt rules and regulations for the transaction of business, and shall keep minutes and records of all proceedings, including resolutions, transactions, findings, and determinations, and the number of votes for and against each question, and if any member is absent or abstains from voting, indicating the fact, all of which shall, immediately after adoption, be filed in the office of the commission or board, as applicable. If the commission or board has no office, such records may be kept in custody of an officer of the commission or board, as applicable, who shall be designated to perform this duty, and who shall maintain the records in a place within the planning unit which is conveniently accessible to the general public. A transcript of the entire proceedings of a planning commission or board of adjustments shall be required if requested by a party, at the expense of the requesting party, and the transcript shall constitute the record for appeal.

Section 17. A simple majority of the entire membership of a planning commission as established by ordinance or agreement shall constitute a quorum. Three members of a three or five member board of adjustments and five members of a seven member board of adjustments shall constitute a quorum. Any member of a planning commission or board of adjustments who has any direct or indirect financial interest in the outcome of any question before the body shall disclose the nature of the interest and shall abstain from voting on the question. A simple majority vote of all members present where there is a properly constituted quorum shall be necessary to transact all business with the following exceptions:

(1) A vote of two-thirds of the entire membership shall be necessary for the adoption of the rules and regulations of either body;

(2) A vote of two-thirds of the entire membership of the planning commission shall be necessary for the adoption or amendment of the elements of the comprehensive plan or subdivision regulations.

Section 18. Any planning commission or board of adjustments may employ or contract with planners or other persons as it deems necessary to accomplish its assigned duties under this Act.

Section 19. Any planning commission or board of adjustments shall have the right to receive, hold, and spend funds which it may legally receive from any and every source both in and out of the Commonwealth of Kentucky, including the United States Government, for the purpose of carrying out the provisions of this Act. All rules and regulations shall describe the method for administration of funds, and an annual audit shall be performed of all receipts, expenditures, and funds on hand by an official of any city or county which is a member of the unit, or by an accountant. The report of every audit, including financial statements, shall be kept in the same manner prescribed in this Act for other records.

Section 20. Any legislative body of a city or fiscal court of a county may assign to the planning commission of the planning unit to which it belongs the powers, duties, and functions of its urban renewal agency or any other of its agencies or bodies where their functions relate to the economic, sociological, and physical development of the city or county.

Section 21. Any board of adjustments shall have the power to issue subpoenas to compel witnesses to attend its meetings and give evidence touching the questions before it. The administrative official may be designated by the board of adjustments to serve such subpoenas. Witnesses may be compensated in accordance with KRS 421.010. Witnesses failing to attend before the board at the time and place designated or refusing to give evidence when they do attend, shall be reported to the circuit court by the board of adjustments and be proceeded against and punished as if the case had been pending in court.

Section 22. The chairman of any board of adjustments shall have the power to administer an oath to witnesses prior to their testifying before the board on any issue.

Section 23. (1) The planning commission of each unit shall prepare a comprehensive plan, which shall serve as a guide for public and private actions and decisions to assure the development of public and private property in the most appropriate relationships. The elements of the plan may be expressed in words, graphics, or other appropriate forms. They shall be interrelated, and each element shall describe how it relates to each of the other elements and to the statement of objectives, principles, policies, and standards.

(2) The comprehensive plan shall contain, as a minimum, the following:

(a) A statement of objectives, principles, policies, and standards, which shall serve as a guide for the physical development and economic and social well-being of the planning unit.

(b) A land use element, which shall be a graphic representation and verbal analysis of a desirable and feasible pattern or alternative patterns for the general location, character, extent, and interrelationship of land uses at a specified time or at specified times as far into the future as is reasonable to foresee, based upon the best information available;

(c) A transportation element, which shall contain a graphic representation of the general location, character, and extent of the existing channels and terminals for the circulation of persons and goods, and a possible pattern or alternative patterns for the general location, and extent of circulation needs for a specified time or specified times as far into the future as is reasonable to foresee. In addition, the transportation element shall contain a verbal analysis of the adequacy of existing channels and terminals for the circulation of persons and goods, and requirements and relationships for them at a specified time or at specified times as far into the future as is reasonable to foresee, based upon the best information available;

(d) A community facilities element, which shall include a description of the general location, character, and extent of all public facilities, an analysis of their adequacy, and a graphic representation of their present location and extent and their proposed location and extent at such a specified time or specified times as far into the future as is reasonable to foresee, based upon the best information available.

(3) The comprehensive plan may include any additional elements, such as urban renewal, conservation, and natural resources elements which, in the judgment of the planning commission, will further serve the purposes of the comprehensive plan.

(4) All elements of the comprehensive plan shall be based upon the following as a minimum:

(a) An analysis of the general distribution and characteristics of past and present population, and a forecast of the extent and character of future population at a specified time or at specified times as far into the future as is reasonable to foresee, and based upon the best information available;

(b) An economic survey and analysis of the major existing public and private business activities, and a forecast of the possible economic level or of possible economic levels as far into the future as is reasonable to foresee, based upon the best information available and the statement of goals and objectives of the unit;

(c) An analysis of the present relationships between land uses and natural or artificial features and conditions which exist, and present deficiencies or problems in the community which are caused by non-compatible land uses or conditions.

Section 24. (1) The planning commission of each planning unit shall prepare and adopt the statement of objectives, principles, policies, and standards for the physical development and economic and social well-being of the planning unit. The statement shall be acceptable to all of the various legislative bodies and fiscal courts in the unit, and during its preparation, it shall be the duty of the planning commission to consult with public officials or agencies, including, but not limited to, city and county boards of health, school boards, public and private utility companies, civic, educational, professional and other organizations, and with citizens. The statement, when completed, shall be referred to the various legislative bodies and fiscal courts for their adoption.

(2) When the various legislative bodies and fiscal courts have adopted the statement of objectives, principles, policies, and standards, it shall constitute a guide for the remaining elements of the comprehensive plan, and for the means of implementing the comprehensive plan.

(3) The statement of objectives, principles, policies, and standards shall be reviewed from time to time in light of social, economic, and physical changes which have occurred, and the statement shall be amended to reflect those changes. The procedure for amendment shall be the same as for original adoption. The statement shall be reviewed at least once every five years, but no comprehensive plan shall be declared invalid on the grounds that the review was not performed.

(4) All elements of the comprehensive plan shall be prepared with a view towards carrying out the statement of objectives, principles, policies, and standards of the unit. The various elements may be adopted as they are completed, or as a whole when they have all been completed. The planning commission shall adopt the elements

of the plan at one of its regular meetings, and adoption shall be by a resolution which may be carried only by a two-thirds vote of the entire commission. The resolution shall refer expressly to the text and graphic material which constitute the elements being adopted. The fact that the element was adopted and the date of its adoption shall be recorded on the element, and it shall be signed by the chairman of the planning commission.

(5) When a statement of objectives, principles, policies, and standards has been adopted for the unit, this section shall govern. Any legislative body or fiscal court in the planning unit must refer any change to the zoning ordinance or official map ordinance to the commission for its review before adoption. The commission shall review the proposal, and shall, within sixty days from the date of its receipt, advise the legislative body or fiscal court whether it approves or disapproves of the change, and if it disapproves, state the reasons for disapproval. A vote of two-thirds of the entire membership of the referring legislative body or fiscal court shall be required to override the disapproval by the planning commission. In addition, all present and future plans for public facilities projects, including state and federal highways, shall be referred to the commission, at such a time that the commission will have a reasonable length of time to review it in light of its complexity, and the commission shall, within sixty days after its receipt, review the project and advise the referring body whether the project is in accordance with the comprehensive plan, and whether it approves or disapproves of the project. If it disapproves of the project, it shall state the reasons for disapproval in writing and make suggestions for changes which will, in its opinion, better accomplish the objectives of the comprehensive plan. A two-thirds vote of the entire membership of the legislative body or fiscal court shall be required to override this disapproval of the commission where it is the body with authority to construct or authorize the construction of the facility, or where the body with such authority is under its jurisdiction or parallel in authority. Disapproval of projects of state and federal agencies shall be deemed advisory in nature only.

Section 25. Cities and counties which are members of a planning unit may divide the territory within their boundaries into zones on an interim or permanent basis to promote public health, safety, morals, and general welfare of the planning unit, to facilitate orderly and harmonious development and the visual or historical character of the unit, and to regulate the density of population and intensity of land use in order to provide for adequate light and air. In addition, zoning may be employed to provide for vehicle parking and loading space, as well as to facilitate fire and police protection, and to prevent overcrowding of land, blight, danger, and congestion in the circulation of people and commodities, and the loss of life, health, or property from fire, flood, or other dangers. Zoning may also be employed to protect airports, highways, and other transportation facilities, public facilities, including schools and public grounds, historical districts, central business districts, natural resources, and other specific areas of the planning unit which need special protection by the planning unit.

Section 26. Cities and counties may exercise the power to zone through zoning ordinances which shall contain:

(1) A text, which shall list the types of zones which may be used, and the regulations which may be imposed in each zone, which must be uniform throughout the zone. In addition, the text shall contain provisions for the granting of area variances and conditional use permits, and any other provisions which are necessary to implement the zoning ordinance. The city or county may regulate:

(a) The activity on the land, including excavation of land, and the removal of natural resources, and the use of water courses and other bodies of water, as well as land subject to periodic flooding;

(b) The size, height, bulk, location, erection, construction, repair, maintenance, alteration, razing and removal of structures, buildings and signs;

(c) Minimum or maximum areas or percentages of areas, courts, yards, or other open spaces or bodies of water which are to be left unoccupied, and minimum distance requirements between buildings or other structures;

(d) Density of population and intensity of use;

(e) Districts of special interest to the proper development of the community, including, but not limited to, historical districts, planned business districts, planned industrial districts, renewals, rehabilitation, and conservation districts;

(f) Fringe areas of each district, by imposing requirements which will make it compatible with neighboring districts;

(g) The activities and structures on the land at or near major thoroughfares, their intersections, and interchanges, and transportation arteries, natural or artificial bodies of water, public buildings and public grounds, aircraft, helicopter, rocket and spacecraft facilities, places having unique interest or value, flood plain areas, and other places having a special character or use affecting or affected by their surroundings;

(h) Non-conforming uses and structures through provisions for regulating, reducing or eliminating them;

(2) A map, which shall show the boundaries of the planning unit, the boundaries of the area which is to be zoned, and the boundaries of each zone;

(3) Text provisions to the effect that land located in agriculturally zoned districts which is used solely for agricultural, farming,

dairying, stock-raising, or similar purposes shall have no regulations imposed as to building permits, certificates of occupancy, height, yard, location or courts requirements for agricultural buildings, except that (a) setback lines may be required for the protection of existing and proposed streets and highways, and (b) that all buildings or structures in a designated floodway or flood plain or which tend to increase flood heights or obstruct the flow of flood waters may be fully regulated.

Section 27. If the planning commission has prepared a land use map for the unit, and, in good faith, is conducting or intends to conduct the remaining studies which are required for a comprehensive plan, the various legislative bodies and fiscal courts of the cities and counties which are members of the unit may pass interim zoning ordinances. Such interim zoning ordinances or orders may continue in force until zoning ordinances have been adopted by the cities or counties, but not longer than three years. The contents of and procedure for passage and amendment of interim zoning ordinances shall be the same as zoning ordinances.

Section 28. When the planning commission has adopted a land use plan for the planning unit, the various legislative bodies and fiscal courts of the cities and counties which are members of the unit may pass zoning ordinances. The planning commission shall prepare the text and map of all zoning ordinances and shall hold at least one public hearing on the text and map pursuant to giving public notice within the cities and counties in the planning unit as required by KRS Chapter 424. The plannng commission shall then adopt the ordinance, and submit it to the various legislative bodies and fiscal courts for passage. A vote of at least two-thirds of the entire legislative body or fiscal court shall be required to pass a zoning ordinance which contains any changes or departures from the zoning ordinance as proposed by the planning commission after the change has been referred to the planning commission for its approval or disapproval. The procedure for adoption of the zoning ordinance shall be the same as for any other ordinance or order; provided, however, that, notwithstanding publication requirements, the zoning ordinance may be published by stating the title and general description of the ordinance and referring to the place within the unit where a copy of the complete ordinance may be examined without charge.

Section 29. (1) A proposal for amendment to any zoning ordinance may originate with the planning commission of the unit, with any fiscal court or legislative body which is a member of the unit, or with the owner of the property in question or any other person or corporation who has legal residence or is qualified to do business in the unit. Regardless of the origin of the proposed amendment, it shall be referred to the planning commission before adoption. The planning commission shall then hold at least one public hearing and make recommendations to the various legislative bodies or fiscal courts involved, and it shall take a two-thirds vote of the legislative body or fiscal court to override the recommendation of the planning commission;

(2) Any legislative body or fiscal court may delegate to the planning commission of the planning unit of which it is a member the power to approve or disapprove any proposal for amendment to the zoning ordinance which it has passed. The planning commission shall hold at least one public hearing on the proposal for amendment prior to approving or disapproving it;

(3) All procedures for public notice and publication as well as for adoption shall be the same as for the original enactment of a zoning ordinance; provided, however, that notwithstanding publication requirements for other ordinances, publication of an amendment to a zoning ordinance may be only by title and general description of the amendment with a reference to the place or places within the unit where copies of the complete amendment may be examined without charge. The amendment to the map portion of the zoning ordinance may be made by posting the change to the existing map by use of overlays, stickers, or any other means which clearly indicates the change.

Section 30. (1) The board shall have the power to hear and decide applications for conditional use permits to allow the proper integration into the community of uses which are specifically named in the zoning ordinance which may be suitable only in specific locations in the zone only if certain conditions are met;

(2) In granting a conditional use permit, the board, with due regard to the nature and condition of all adjacent structures and uses, the zone within which the proposed use is to be located, and the comprehensive plan, shall find the following, which shall be recorded in its minutes and records and on the conditional use permit:

(a) A reference to the specific paragraph where the use requested is listed in the zoning ordinance among the conditional uses in the zone for which the application is made;

(b) The manner which the requested use is essential or desirable to the public convenience or welfare;

(c) The factors which establish that the requested use will not impair the integrity or character of the zone or adjoining zones, or be detrimental to the health, morals, or welfare;

(d) The manner in which the requested use will be in conformity with objectives contained in the comprehensive plan;

(e) A description of the utilities, access roads, drainage, sanitation and other necessary facilities which have been or are being provided;

(3) The board may approve, modify, or deny any application for a conditional use permit. If it approves such permit it may attach necessary conditions:

(a) Such conditions may include a time limitation;

(b) Conditions may be imposed which require that one or more things be done before the use requested can be initiated;

(c) Conditions of a continuing nature may be imposed;

(4) Whenever all the conditions required are of such type that they can be completely and permanently satisfied, the administrative official, upon request of the applicant, may, if the facts warrant, make a determination that the conditions have been satisfied, and enter the facts which indicate that the conditions have been satisfied and the conclusion in the margin of the copy of the conditional use permit which is on file with the county clerk. Thereafter said use, if it continues to meet the other requirements of the ordinance, will be treated as a permitted use;

(5) Granting of a conditional use permit does not exempt the applicant from complying with all of the requirements of building, housing and other ordinances;

(6) In any case where a conditional use permit has not been exercised within the time limit set by the board, or within one year, if no specific time limit has been set, then without further action, the permit shall be void. Exercised, as set forth in this section, shall mean that binding contracts for the construction of the main building or other improvement have been let; or in the absence of contracts that the main building or other improvement is under construction to a substantial degree, or that prerequisite conditions involving substantial investment are contracted for, in substantial development, or completed. When construction is not a part of the use, exercised shall mean that the use is in operation in compliance with the conditions set forth in the permit;

(7) The administrative official shall review all conditional use permits, except those for which all conditions have been permanently satisfied, at least once annually and shall have the power to make a reasonable inspection of the land where the conditional use is located in order to ascertain that the landowner is complying with all of the conditions which are listed on the conditional use permit. If the landowner is not complying with all of the conditions listed on the conditional use permit, the administrative official shall report the fact in writing to the chairman of the board of adjustments. The report shall state specifically the manner in which the landowner is not complying with the conditions on the conditional use permit, and

a copy of the report shall be furnished to the landowner at the same time that it is furnished to the chairman of the board of adjustments. The board shall hold a hearing on the report within a reasonable time, and notice of the time and place of the hearing shall be furnished to the landowner at least one week prior to the hearing. If the board of adjustments finds that the facts alleged in the report of the administrative official are true, and that the landowner is not complying with all of the conditions of the conditional use permit, and that the landowner has taken no steps to comply with them between the date of the report and the date of the hearing, the board of adjustments may authorize the administrative official to revoke the conditional use permit and take the necessary legal action to cause the termination of the activity on the land which the conditional use permit authorizes.

Section 31. (1) The board shall have the power to hear and decide on applications for space variances where, by reason of the exceptional narrowness, shallowness or unusual shape of a site on the effective date of the zoning ordinance, or by reason of exceptional topographic conditions, or some other extraordinary situation or condition of that site, the literal enforcement of the space requirements of the zoning ordinance would deprive the applicant of reasonable capacity to make use of the land in a manner equivalent to the use permitted other land owners in the same zone.

(2) Before any space variance is granted, the board must find all of the following, which shall be recorded in its minutes and records and issued in written form to the applicant to constitute proof of the space variance:

(a) The specific conditions in detail which are unique to the applicant's land which do not exist on other land in the same zone;

(b) The manner in which the strict application of the provisions of the zoning ordinance would deprive the applicant of a reasonable capacity to make use of the land in the manner equivalent to the use permitted other land owners in the same zone;

(c) That the unique conditions and circumstances are not the result of actions of the applicant taken subsequent to the adoption of the zoning ordinance;

(d) Reasons that relief, if approved, will not cause substantial detriment to the public good or impair the purposes and intent of the zoning ordinance;

(e) Reasons that relief, if approved, will not constitute a grant of special privilege inconsistent with the limitations upon other properties in the same zone;

(3) Financial disadvantage to the property owner shall not be admissible as evidence to support a request for a space variance;

(4) The board shall not possess the power to grant a variance to permit a use of any land, building, or structure which is not permitted by the zoning ordinance in the zone in question, or to alter density or bulk requirements which are imposed by the zoning ordinance in the zone in question;

(5) A space variance applies to the property for which it is granted, and not to the individual who applied for it. A space variance runs with the land and is transferrable to any future owner of the land, but it cannot be transferred by the applicant to a different site;

(6) Unless otherwise specified at the time the space variance is granted, a space variance applies to the subject property for an indefinite period of time. If a space variance has not been used within a period of one year from the date of granting, without further action the space variance shall be null and void.

Section 32. If delegated to it, the board shall have the power to hear and decide on applications for variances from the terms of housing or building ordinances, or both.

Section 33. All conditional use permits and proofs of variances shall be recorded in the office of the county clerk in the county in which the land lies. Conditional use permits and proofs of variances shall be kept and indexed in the county clerks office in the same manner as deeds are kept and indexed and the county clerk may charge a fee equal to that charged for a deed.

Section 34. An administrative official shall be designated to administer the zoning ordinance, and, if delegated, housing or building ordinances. The administrative official may be designated to issue building permits or certificates of occupancy, or both, in accordance with the literal terms of the ordinances, but may not have the power to permit any construction, or to permit any use or any change of use which does not conform to the literal terms of the zoning ordinance. Any administrative official may be an employee of any other planning unit, an employee of any area planning commission to which the unit belongs, or an employee of the Commonwealth.

Section 35. (1) The board of adjustments shall have the power to hear and decide cases where it is alleged by an applicant that there is error in any order, requirement, decision, grant, or refusal made by an administrative official in the enforcement of the zoning ordinance, or, if delegated, the enforcement of housing or building ordinances. Such appeal shall be taken within sixty days;

(2) The following procedure shall be followed in all appeals to the board:

(a) The appeal shall be taken by the applicant's giving notice in writing of the appeal to the administrative official and to the board. The notice shall contain the specific allegations of error;

(b) The administrative official from whom appeal is taken shall forthwith transmit to the board all of the papers which constitute the record upon which the action appealed from was taken, or certified copies of the same;

(c) After an appeal is taken to the board, the administrative official shall take no further legal action concerning the enforcement of the action from which the appeal is taken unless such legal action is necessary to protect the lives or property of others, in which case he shall be permitted to apply for a restraining order in accordance with Kentucky Rules of Civil Procedure to prevent any further action by the applicant. If no restraining order is obtained, and the applicant violates the order, requirement, decision, grant, or refusal of the administrative official while the board is considering the appeal, he does so at his own risk, and if the decision of the board is against him, the administrative official shall have the power to cause him to obey his order, requirement, decision, grant or refusal at the expense of the applicant;

(d) The board shall fix a reasonable time for hearing the appeal and give public notice in accordance with KRS Chapter 424, as well as written notice to the appellant and the administrative official at least one week prior to the hearing, and shall decide it within a reasonable time, which time may be expressed in the ordinance or the agreement under which the unit operates;

(e) The affected party may appear at the hearing in person, or by attorney;

Section 36. Any planning commission which is conducting studies for the purpose of preparing a comprehensive plan may adopt regulations for the subdivision of land within its boundaries. If the county has not combined its planning operations with that of the city, the territorial jurisdiction of the planning commission over the subdivision of land shall include all land which bears a direct and substantial relationship to the city for planning purposes, lying within five miles of the corporate limits of the city and not located in any other city. If any land lies outside the corporate limits of any city, but within five miles of more than one city having a planning commission, the jurisdiction of each planning commission shall terminate at a line equidistant from the respective corporate limits of the cities. All subdivision regulations shall be based on the comprehensive plan and shall contain:

(1) The procedure for the submission and approval of preliminary and final plats and the recordation of final plats. The commission may delegate to its secretary or any other officer or employee the power to approve plats of a routine nature, but all plats, pre-

liminary and final, shall be approved or disapproved within ninety days;

(2) Specifications for the contents of and the method for presentation of final subdivision plats;

(3) Specifications for the arrangement of streets, roads, and highways in relation to other existing or planned streets, roads or highways;

(4) Requirements for adequate and convenient spaces for traffic, utilities, recreation, light and air, and access for fire-fighting apparatus;

(5) Provisions for the control of the density of population and intensity of use of the land through requirements for minimum widths and areas of lots and other appropriate measures;

(6) Specifications for the extent to which streets and other ways shall be graded and improved and to which rights of way of existing and proposed streets and other ways must be dedicated, and the extent to which water, sewer, and other utility mains, piping, or other facilities shall be installed as conditions precedent to approval by the commission of any subdivision plats;

(7) Provisions for the approval of subdivision plats prior to the completion of improvements and utilities through the acceptance of bond to assure completion;

(8) Specifications for the extent to which grounds which are to be used for public purposes shall be reserved as a condition precedent to approval by the commission of any subdivision plat. The planning commission may require reservation of a reasonable area of land for the use of the general public restricted to parks, open space, and school and other public building sites which are indicated on the official map not to exceed two years;

(9) Specifications for the extent to which land subject to flooding or other hazards must be left undeveloped, or conditions which must be met as a prerequisite to development.

Section 37. Within ninety days after the approval and certification of a subdivision plat, it shall be the duty of the applicant subdivider, at his or its own expense, to file the plat in the office of the clerk of the county in which the land lies. The county clerk may charge at fee of two and one-half dollars for filing subdivision plats. The clerk of the county shall neither receive nor record any plat unless it is approved and certified by the planning commission. Any deed which purports to convey property which should be platted, or property for which a plat has not been approved and certified by the planning commission, or for which a plat has not been recorded within ninety days of its approval and certification, shall be void, and no public utilities may be furnished to the land by either the city or any public or privately owned utility company. In determining whether a deed is for land which should be platted, the clerk of the county shall have the power to review any evidence which the landowner may provide to establish that subdivision regulations are not in force on the land, and to consult with those people necessary to assure himself that a plat for the land in question is not required.

Section 38. The state highway department may file with the planning commission of any planning unit exercising subdivision jurisdiction a map of the territory within one mile on either or both sides of any existing or proposed highway. After receipt of the map by the planning commission, one copy of all preliminary plats shall be referred to the designated office of the highway department for its review. Such referral shall be accomplished within five days after the receipt of any preliminary plat by the planning commission. The department of highways may, within fifteen days after receipt of the plat, make recommendations to the planning commission concerning the effect of the proposed subdivision on the highway in question.

Section 39. Where the county is not participating in a planning unit, the planning commission shall have the power to adopt subdivision regulations covering that portion of the unincorporated area surrounding the city or cities of the unit which bears a direct and substantial relationship to the city or cities of the unit for purposes of planning, disregarding county boundaries, and which is not under the jurisdiction of any other planning unit. The boundaries of the territory over which the planning commission exercises jurisdiction shall be posted to a map or maps which shall be recorded in the office of the county clerk or clerks of the county or counties in which the land lies.

Section 40. The planning commission shall have the power to apply for an injunction against any type of construction by the landowner or the extension of utilities by either privately or publicly owned companies to land where subdivision regulations have been violated.

Section 41. (1) Any clerk who violates the provisions of this Act relating to subdivision regulations shall, upon conviction, be fined not less than one hundred nor more than five hundred dollars;

(2) Any owner or agent who violates this Act, shall, upon conviction, be fined not less than one hundred nor more than three hundred dollars for each lot or parcel which was the subject of sale or transfer, or a contract for sale or transfer. When it has been discovered that land has been sold or transferred, or that a contract has been

entered into for the sale or transfer of land in violation of the provisions of this Act pertaining to the regulation of subdivisions, the owner or owners of record shall file plats of the land in accordance with this Act. When land is sold or transferred, or a contract has been entered into for the sale or transfer of land in violation of this Act, the land shall be governed by the subdivision regulations both prior to and after the platting of the land by the owner of record as if a plat had been filed in accordance with the provisions of this Act pertaining to subdivision regulations.

Section 42. Appeals from decisions of the planning commission regarding subdivision regulations shall be the same as from any other decision of the planning commission.

Section 43. (1) When all components of the comprehensive plan which are prescribed under this Act as a minimum for a unit have been prepared and adopted, the legislative bodies and fiscal courts of the cities and counties shall have the power to pass an official map ordinance. The ordinance shall incorporate a map of the entire city or county, but it may be accomplished by parts in which case the first part shall be passed as the original ordinance and all other parts shall be treated as amendments to the original ordinance;

(2) The official map may show the location and extent of existing and proposed public streets, including rights of way, water courses, parks and playgrounds, public schools and building sites;

(3) Prior to the adoption or amendment of the official map it shall be referred to the planning commission for its approval. The planning commission shall review the map or changes to it in light of the comprehensive plan, shall hold a public hearing on the map or proposed changes pursuant to public notice as prescribed by KRS Chapter 424, and shall recommend its approval or disapproval to the legislative body within 60 days after its receipt, unless the commission submits to the legislative body a statement in writing that it needs additional time to study the map or changes, in which case the commission shall automatically have an additional period of sixty days to consider the map or change.

Section 44. After the passage of the official map ordinance for all or part of the city or county, all streets, water courses, parks and playgrounds, public buildings, and public school sites which have been approved under subdivision regulations as provided in this Act, shall be posted to the official map; no public hearing need be held for such additions to the official map. Nothing in this section shall be deemed as a requirement for the payment of compensation for the dedication of land under subdivision regulations.

Section 45. The passage of the official map ordinance shall not be deemed as opening or establishing of any street, or as a taking or as an acceptance of any land for a street, water course, or public ground; nor shall it obligate the city or county to improve or maintain any such street.

Section 46. Before a city or county may exercise the power to pass an official map ordinance, it shall prepare a program for improvement of public facilities which shall indicate the estimated amount of funds necessary for those projects which are shown on the official map and projected sources for the funds.

Section 47. For the purpose of preserving the integrity of the official map of the city or county, no permit shall be issued for the construction or material alteration of any building within the lines of any streets, including right-of-way or water course, parks and playgrounds, public schools and building sites shown on the official map, except as provided in this section. The official map of a city may include the area outside the city limits over which the approval of subdivision plats is required. Any persons desiring to construct or materially alter a building in the lines of any street or water course shown on the official map shall apply to the administrative official of the city or county for a building permit. Unless such application is made and the permit is granted, no person shall recover any damages for the taking for public use of any structure or improvement constructed within the lines of any street, including rights-of-way or water course, parks and playgrounds, public schools and building sites, after the same shall have been included on the official map, and any such structure or improvement shall be removed at the expense of the owner when the land is acquired for public use.

If the land shown on the official map is not yielding a fair return, the board of adjustments shall have the power to grant a permit for the building which will, as little as practicable, increase the cost of future acquisition, and the board may impose reasonable requirements as a condition of granting such permits. Such board shall refuse a permit when the applicant will not be substantially damaged by placing his building outside the bed of the proposed street or water course.

Section 48. (1) Any person claiming to be injured or aggrieved by any action or decision of the planning commission or board of adjustments which has legal effect may take an appeal from the action or decision in the circuit court of the county in which the land lies. For purposes of this section, person shall include any natural person, firm, organization, corporation, taxpayer, or governmental official, department, or agency, except one engaged in an activity which is directly economically competitive with the person who is affected by the action or decision;

(2) All appeals shall be taken in the appropriate circuit court

within ninety days after the action or decision of the planning commission or board of adjustments and all decisions which have not been appealed within ninety days shall become final. After the appeal is taken the procedure shall be the same as in common law actions, and all parties to the proceedings shall have the right to any and all processes, including subpoena, allowed in other cases in circuit court. When an appeal has been filed, the clerk of the circuit court shall issue a summons to all parties, including the planning commission in all cases, and shall cause it to be delivered for service as in any other common law action.

(3) The circuit court shall hear the appeal solely on the transcript of the planning commission or board of adjustments, as applicable, and the scope of appeal shall be limited to the following issues:

(a) Whether the findings of fact are supported by substantial evidence;

(b) Whether the decision is supported by the findings of fact;

(c) Whether the decision was issued with due notice and reasonable opportunity having been afforded the aggrieved party for a full and fair hearing;

(d) Whether the decision is within the jurisdiction of the commission;

(e) Whether the decision in the matter has been unlawfully withheld or unreasonably delayed;

(4) Appeals from decisions of circuit courts shall be taken in the same manner as common law cases are appealed.

Section 49. Any person who wilfully violates any of the provisions of the Act for which no other penalty is provided in any other section of the Act, shall, upon conviction, be fined at least one hundred but not more than five hundred dollars for each violation.

Section 50. This Act does not affect rights and duties that matured, penalties that were incurred, or proceedings that were begun before its effective date. All existing plans, and ordinances as amended to the effective date of this Act, and all organizations which are in existence on its effective date shall continue in force until they are superceded, or until five years from the effective date of this Act, whichever occurs first. At that time all organizations, plans, and ordinances will be in conformance with the provisions of this Act. Upon the appointment of the planning commission and board of adjustments all records of any existing planning commission and board of adjustments in such county or city shall be transferred to the newly appointed commission and the board, respectively, and the powers and duties of the then existing planning commission and board of adjustments shall cease; but if any such then existing commission shall be nearing the completion of any plan or part thereof, or if any matter is pending before any such then existing board, the said transfer of said records and the termination of the powers and duties of such commission or board shall be postponed until the completion of such plan or part thereof or until all such pending matters have been decided. Such postponements, however, shall not exceed a period of more than six months.

Section 51. KRS Chapter 100 and KRS sections 147.410-147.570 are hereby repealed.

SB 220, AN ACT relating to sheriffs in the payment, collection and refund of taxes, amending KRS 134.230 relating to execution of general revenue bonds for the sheriff, approval of surety, lien on property of sheriff and additional bond.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 134.230 of the Kentucky Revised Statutes is amended to read as follows:

(1) The sheriff shall, before he qualifies and before he assumes the duties of the office for the first time, enter into bonds with surety for the faithful performance of his duties as revenue collector. This bond shall cover liability to account, as provided by law, for all charges of taxes made against him, and for all money received by him as revenue collector from the date he assumes the duties of the office to and including May 31 of the same year. He shall enter into bond with surety thereafter before or as of June 1 of each succeeding year of the term of his office, except that the expiration date of the bond for the last year in the term shall be to and including March 15. The county judge shall hold court at any time the sheriff may request for the purpose of executing bond.

(2) The county court, except in case of a corporate surety, shall judge of the sufficiency of the surety, and in no case shall sureties be taken who are not jointly worth, subject to execution after the payment of all their debts and liabilities, a sum equal to the aggregate amount of state tax receipts that will probably be received by the sheriff during the year or period succeeding the execution of the bond. Where a corporate surety bond is offered, it shall be for a sum not less than the largest amount of state tax receipts that the sheriff will probably have in his possession at any one time, except that such corporate surety bond shall in no event exceed $200,000. The county court, with the approval of the Department of Revenue, shall determine the amount of the corporate surety bond and judge of the sufficiency of the surety.

[(3) The state, county and taxing districts shall have a lien, from the date the sheriff begins to act, upon the real property of the sheriff then owned or that may afterwards be acquired by him during his term as sheriff or special tax collector. This lien shall not be discharged until the whole amount of the money collected by the sheriff or for which he may be liable has been paid, or until four years have elapsed from the expiration of his term of office without any action having been commenced to assert the lien. The same lien shall exist upon the real property of a usurper of the office of sheriff, a de facto sheriff, or any person who acts as sheriff.]

[(4)] *(3) The county court may require the sheriff to give additional bond, with good surety to be approved by the court, whenever the court deems it necessary in the interest of the state or county.*

(4) The state, county and taxing districts shall have a lien, from the date the sheriff begins to act, upon the real property of the sheriff then owned or that may afterwards be acquired by him during his term as sheriff or special tax collector. The same lien shall exist upon the real property of a usurper of the office of sheriff, a de facto sheriff or any person who acts as sheriff.

(5) The lien referred to in (4) above shall not be discharged until four years have elapsed from the expiration of his term of office without any action having been commenced to assert the lien, or until a quietus from the state, county and taxing districts has been filed and recorded in the office of the County Court Clerk for each of the tax periods during the sheriff's term, whichever of these two events shall first occur. Each quietus shall approve the settlement of the sheriff, acknowledge payment of monies due, and shall discharge and release the sheriff from further liability for the taxing period involved. The County Court Clerk shall be entitled to receive $1.00 for filing and recording each quietus and shall note upon the quietus the date, book and page of the last preceding quietus recorded.

SB 221, AN ACT relating to advancements to county sheriffs for expenses.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 64.140 of the Kentucky Revised Statutes is amended to read as follows:

(1) [In counties containing a population 75,000 or over, the] *Any* sheriff may be entitled to receive an advancement to defray necessary official expenses and to apply to the payment of the salaries of himself and his deputies and assistants. The Commissioner of Finance shall, on the first day of each calendar month, determine the necessary amount that may be advanced to the sheriff, which amount shall not exceed one-twelfth of the total fees collected

by the sheriff for the preceding year and may be for a less amount, and in no event shall it exceed $30,000 per month. When approved by the Commissioner of Finance, a warrant shall be drawn on the State Treasury in favor of the sheriff for such advancement. At the end of each calendar year the sum of such advancements shall be deducted from the part of the total of fees and commissions paid into the State Treasury by the sheriff, pursuant to Section 106 of the Constitution, that is available for use for the payment of the salaries of the sheriff, his deputies and assistants, and his necessary office expenses.

(2) If the office of sheriff becomes vacant, the sums advanced under this section shall be charged against that part of the fees and the commissions of the office of the sheriff that have been, or shall be, paid into the State Treasury during the calendar year in which the advancements were made, and that is available for payment of the salaries of the sheriff, his deputies and assistants, and necessary expenses of his office.

(3) If the total of fees and commissions paid into the State Treasury by the sheriff for any calendar year is insufficient to match the amount of advancements made to him, he and his sureties shall be liable to the state for any excess of advancements over the total of fees and commissions paid into the State Treasury.

HB 249, AN ACT relating to the practice of clinical psychology.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 319.010 of the Kentucky Revised Statutes is amended to read as follows:

[The practice of clinical psychology is defined as follows:]

(1) A person practices clinical psychology within the meaning of this chapter *when he renders to individuals, groups, organizations, or the public any service involving the application except as specific applications are excluded in Section 16 of this Act, of principles, methods or procedures of the science and profession of psychology, to include:*

(a) evaluation of: disorders of cognitive processes and emotions, and problems of adjustment in individuals or in groups, through interpretation of tests of mental abilities, aptitudes, interests, attitudes, emotions, motivation, and personality characteristics;

(b) recommendation for: selection of personnel, arrangement of effective work and learning situations, resolution of interpersonal or social conflicts, and change of employment status, including termination of employment when based on interpretation of tests of the types noted in sub-section (a) above;

(c) application of: principles of psychological modification of behavior, including hypnosis, and the results of research on such modification of behavior, to individuals or to groups.

This definition does not include the teaching of principles of psychology for accredited educational institutions, or the conduct of research in problems of human behavior.

[who (a) renders to individual clients for fees or personal profit, any professional service requiring the application of recognized principles, methods and procedures of the science and profession of clinical psychology, such as the administration and interpretation of standardized tests of mental abilities and personality characteristics, for the purpose of psychological diagnosis, classification or evaluation; or, (b) for fees or personal profit, applies such psychological techniques for purposes of reeducation, guidance or readjustment.]

Nothing in this definition shall be construed as permitting the administration or prescribing of drugs or in any way infringing upon the practice of medicine as defined in the laws of this state. *The board of examiners, as set up by this law, shall be responsible for interpreting this definition and its application in specific cases.*

Section 2. Section 319.020 of the Kentucky Revised Statutes is amended to read as follows:

On or before July 1, 1948, the Governor shall appoint from a list of ten submitted to him by the Kentucky Psychological Association five psychologists holding the degree of Doctor of Philosophy or its equivalent in psychology from an accredited educational institution and eligible for licensing under the provisions of this chapter to be members of the Board of Examiners of Psychologists, one to hold office for one year, one for two years, one for three years, and two for four years, from said July 1.

Annually thereafter as the terms of the members expire, the Governor shall appoint successors, for terms of four years and until their successors are appointed and qualified. [Each appointment] *Successors* shall be *appointed* from a *group* [list] of three *nominees* [names]for each position to be filled, *the nominees to be selected by the psychologists licensed under this act from a list of eligible candidates prepared* [submitted] by the Kentucky Psychological Association, and each *nominee* [appointee] shall be a psychologist *licensed* [certified] according to the provisions of this chapter. Each member, including the members first appointed, shall be an elector of this state and shall have engaged in the practice or teaching of [clinical] psychology for at least three years in this state or else where in the United States. Annually the board shall elect one of its members as chairman. The Governor shall fill any vacancy occurring in the board *in the manner and at the time prescribed for the appointment of successors.* [with a certified clinical psychologist from a list of three submitted by the Kentucky Psychological Association for the unexpired portion of the term.] Upon recommendation by a majority of the Board members and after notice and a hearing by them, the Governor shall remove any member for incompetence, neglect of duty or malfeasance in office. Three members of the Board shall be a quorum. Each member shall receive his necessary expenses incurred in the performance of the duties required by this chapter. *The board is responsible for preparation or selection and administration of written examinations on general psychological knowledge and on the appropriate psychological specialty or specialties of the applicant as required by this chapter and for recommending licensure or certification under the provisions of this chapter. A schedule of fees for licensure, certificates, and temporary permits shall be established and amended, as necessary, by the Board of Examiners. The board is authorized to collect said fees. The board is empowered to question violation of this law and to bring suit against such violators.* The board may employ necessary personnel for the performance of its functions, determine the classifications and functions of such personnel, and fix the compensation thereof, within the limits of funds available to the board.

Section 3. Section 319.030 of the Kentucky Revised Statutes is amended to read as follows:

On June 30 of each year the board shall submit to the Governor a written report. Such report shall include the names of all psychologists to whom *licenses or* certificates have been granted as provided in KRS 319.050 and [319.060] *Section 7 of this act and certificates as provided in Section 6 of this act,* any cases heard and decisions rendered in relation to the doings of said board as to future policies. Each member of the board shall review and sign such report before its submission to the Governor. *Failure of not more than two members to sign the report does not preclude submission.* The principal office of the board shall be in Frankfort, but it may meet or conduct any of its business at any place in this state. The board may empower any member to conduct any proceeding, hearing, or investigation necessary to its purpose.

Section 4. Section 319.040 of the Kentucky Revised Statutes is amended to read as follows:

For the purpose of determining the qualifications of applicants under KRS 319.050, [and 319.060] and Sections 6 and 7 of this Act, the Board of Examiners *shall accept the ratings issued by recognized accrediting agencies or the board may in the absence of such accreditation rate as to acceptability,* educational institutions which grant the degree of Doctor of Philosophy or its equivalent in psychology *and* *educational institution which grant the Master's degree or its equivalent in psychology.* [, or the board may accept the ratings issued by accrediting bodies approved by it.]

Section 5. Section 319.050 of the Kentucky Revised Statutes is amended to read as follows:

Before granting a license to practice psychology and to use the title "Psychologist" [as certified clinical psychologist] the board [may] *shall* require any applicant therefor to pass a written examination in psychology to be given at such time and place and under such supervision as the board prescribes. Such applicant shall pay a fee of *not to exceed fifty* [twenty-five] dollars *to the board of examiners at the time of application.* [and] *The applicant* shall satisfy the board that he

(a) is at least twenty-one years of age;

(b) is of good moral character;

(c) is a citizen of the United States or has legally declared his intention of becoming one;

(d) has received a degree of Doctor of Philosophy or its equivalent in psychology from an educational institution rated as acceptable as provided in KRS 319.040;

(e) has had at least one year's experience of a type satisfactory to the board in the practice of psychology; and

(f) has not within the preceding six months failed any examination given by the board. The board shall grade the examinations returned by the candidates and shall keep them for at least one year. Any unsuccessful candidate may, upon written request to the board, arrange to discuss his performance on the examination. [see his graded paper.]

A new section of Chapter 319 of the Kentucky Revised Statutes is created to read as follows:

Section 6. The Board of Examiners of Psychologists will issue certificates of qualification with appropriate title to applicants who meet all the licensing requirements except the possession of the degree of Doctor of Philosophy or its equivalent in psychology from an educational institution related as acceptable as provided in KRS 319.040. These certificates of qualification certify that the holder has been examined by the board and is deemed competent to perform certain functions within the practice of psychology under the periodic direct supervision of a psychologist licensed by the board. Such functions will be specified on the certificate issued by the board and may include but are not restricted to such functions as administering tests of mental abilities, personnel selection, and educational and vocational planning. Such applicant shall pay to the board of examiners a fee not to exceed fifty dollars for certification in a single area *of qualification and a fee for amendment of the certificate to include each additional area of qualification. Upon petition by a holder the board of examiners may grant authority to function without immediate supervision. The board may require that such a petition be accompanied by a letter of endorsement from the holder's supervisor.*

A new section of Chapter 319 of the Kentucky Revised Statutes is created to read as follows:

Section 7. The board may waive either an examination or the requirements of subsection (d) of KRS 319.050 or both if it deems such action to be in the public interest with respect to any person who applies for certification and authority to function without immediate supervision within two years from the effective date of this amendment, who meets the requirements of subsections (a), (b), and (c) of KRS 319.050, who is qualified by experience to practice psychology and who has received a Master's degree or its equivalent in psychology from any educational institution rated as acceptable as provided in KRS 319.040 and has been engaged in such practice at least three years. The board may waive either an examination or the requirements of subsection (d) of KRS 319.050 or both if it deems such action to be in the public interest with respect to any person, whose licensing was not required under this original Act for licensing clinical psychologists, who applies for licensure within two years from the effective date of this Amendment, who meets the requirements of subsections (a), (b), and (c) of KRS 319.050, who is qualified by experience to practice psychology and who has received a degree of Doctor of Philosophy or its equivalent in psychology from an educational institution rated as acceptable as provided in KRS 319.040 and has had at least one year's experience of a type satisfactory to the board in the practice of psychology. The board may grant a license without examination to any person who at the time of application is licensed or certified by a similar board whose standards, in the opinion of the Kentucky board of examiners, are not lower than those required by this Act. A fee in accord with KRS 319.050 shall be paid for each license issued under this section.

A new section of Chapter 319 of the Kentucky Revised Statutes is created to read as follows:

Section 8 An acknowledgement of a valid receipt of an application for licensure or certification, by the board of examiners, shall constitute a temporary permit to function within this State until the board of examiners completes action on the application. In cases of application for licensure or certification, the board of examiners will expedite the determination of final disposition of the application in the best interest of the public, the applicant and the employer.

Any person or persons not licensed in this state who wish to perform practices under the provisions of KRS 319.010 within this state for a period greater than ten days and not to exceed sixty days within a calendar year, must petition the board of examiners for a temporary permit to perform such practices. If the person is licensed in another state according to the provisions of Section 7 of this act, a permit will be issued without fee. If the person is not licensed, a fee will be assessed by the board of examiners for each temporary permit so issued.

A new section of Chapter 319 of the Kentucky Revised Statutes is created to read as follows:

Section 9. Licenses must be renewed every three years on or before the anniversary date of issue or renewal. A license holder shall pay to the board of examiners a renewal fee not to exceed twenty-five dollars and shall receive a renewal license. Certificates of qualificatinn must be renewed every three years on or before the anniversary date of issue or renewal by payment to the board of examiners of a renewal fee and the certificate holder shall receive a renewal certificate. Any license or certificate shall be cancelled if the holder fails to secure the renewal license or certificate within three months after the renewal date, but any license or certificate so canceled may be restored by the board upon payment of a fee within one year after cancellation.

A new section of Chapter 319 of the Kentucky Revised Statutes is created to read as follows:

Section 10. The board may suspend, upon investigation and upon action by the majority of its members, any such license or certificate for a definite period not to exceed one year, or may revoke either license or certificate, or may refuse to issue or renew a license or certificate, if the holder has been convicted of a felony, has been found by the board to have employed fraud or deceit in obtaining either the license or certificate, is guilty of professional misconduct as a consequence of habitual drunkenness or habitual addiction to the use of habit forming drugs, or has acted negligently or wrongfully in the conduct of his profession, or not in conformance with the Code of Ethics of the American Psychological Association or has been found performing functions outside the area of certification or has been found to be performing the function or functions specified on the certificate of qualification without the requisite immediate supervision of a licensed psychologist. After three years from the date of a revocation, an application for reinstatement may be made to the board, and it may, upon favorable action by the majority of its members, grant such reinstatement. The board may, at its own discretion, review and reverse its suspensions, revocations or refusals to issue or renew licenses or certificates at any time.

A new section of Chapter 319 of the Kentucky Revised Statutes is created to read as follows:

Section 11. (1) The board may not suspend or revoke or refuse to issue or to renew any license or certificate for any cause listed in section 10 of this Act, unless the person accused has been given at least twenty days' notice in writing of the charge against him and a public hearing by the board. The written notice shall be mailed to the person's last known address, but the non-appearance of the person shall not prevent such a hearing.

(2) Upon such a hearing the board may administer oath and procure by its subpoenas the attendance of witnesses and the production of relevant books and papers.

A new section of Chapter 319 of the Kentucky Revised Statutes is created to read as follows:

Section 12. Any person who has been denied a license or certificate or whose license or certificate has been revoked or suspended by the board may appeal to the Franklin Circuit Court for a trial certiorari by filing with the clerk a certified copy of the record made in proceedings before the board and his petition requesting a trial. The board shall make certified copies of any charges upon demand of the applicant. When the copy of the charge is lodged with the clerk of the Franklin Circuit Court and the required deposit of court cost is paid within ten days after the board's findings, the appeal shall be considered perfected and shall be docketed and stand for trial. No such appeal shall operate as a supersedeas to such revocation or suspension.

A new section of Chapter 319 of the Kentucky Revised Statutes is created to read as follows:

Section 13. For the purpose of this Act, the confidential relations and communications between licensed psychologist or holder of certificate of qualification and client are placed upon the same basis as those provided by the law between attorney and client, and nothing in this chapter shall be construed to require any such privileged communication to be disclosed.

A new section of Chapter 319 of the Kentucky Revised Statutes is created to read as follows:

Section 14. Any person not licensed or certified as provided in the Act shall engage in any practice which in the judgment of the board of examiners constitutes the practice of psychology as defined in Section 1 of this Act, and is against the public interest. No person shall use the title of "Psychologist" in this state without a license granted by said board of examiners and signed by such member thereof. No person not licensed as provided in this Act *shall hold himself out to the public by any title or description of services representing himself as a psychologist which incorporates the words "psychological", "Psychologist", or "Psychology"; except as such usage of title and/or description is authorized by the board. The use of the title "Psychologist" and the description of services cited above is authorized to those who apply for and are granted certificates within two years of the effective date of this amendment as long as they maintain such certificates.*

A new section of Chapter 319 of the Kentucky Revised Statutes is created to read as follows:

Section 15. Nothing in this chapter shall be construed to limit or authorize:

(1) The activities, services, and use of title on the part of a person in the employ of the Federal Government or Accredited Institutions of Higher Education, insofar as such activities and services are a part of the official duties in this salaried position;

(2) The professional pursuits of clergymen, practitioners of medicine or dentistry, or lawyers, from full performance of their professional duties, or the activities in their normal professional pursuits of social workers, sociologists, probation or parole officers, and marriage counselors, who meet the qualifications of education or experience for full membership in the national organization of their respective fields, or who are under the supervision of a person so qualified, or the professional activities of audiologists and/or speech pathologists who are certified by the American Speech and Hearing Association;

(3) The activities of a student, intern, or resident in psychology, pursuing a course of study approved by the Department of Psychology of an educational institution rated acceptable under KRS 319.040 for qualifying training and experience, provided such activities constitute a part of his supervised course of study; or

(4) The recognized educational activities of teachers in accredited public and private schools, or the authorized duties of guidance counselors and psychometricians who are certified by the State Board of Education, or the activities of persons using psychological techniques in business and industrial organizations for employment placement, promotion, or job adjustment of their own officers and employees. However, no industrial or business firm or corporation may sell or offer to the public or to other firms or corporations for remuneration any psychological services as specified in this law, unless such servies are performed or supervised by individuals duly and appropriately licensed under this Act.

(5) The board of examiners may, at its discretion, establish

additional exclusions by majority action when such exclusions are deemed to be in the public good.

A new section of Chapter 319 of the Kentucky Revised Statutes is created to read as follows:

Section 16. All fees received by the board of examiners under this chapter shall be placed in the State Treasury to the credit of a trust and agency fund for the use of the board in carrying out its functions.

Section 17. Section 319.990 of the Kentucky Revised Statutes is amended to read as follows:

Any person who violates any of the provisions of *Section 14 of this Act shall be guilty of a misdemeanor and, upon conviction, shall be punished by imprisonment for not more than six months, or by a fine of not more than five hundred dollars, or by both such fine and imprisonment, and each violation shall be deemed a separate offense.* [KRS 319.120 shall be fined not less than $100 nor more than $500.]

Section 18. Sections 319.060, 319.070, 319.080, 319.090, 319.100, 319.110, 319.120, and 319.130 are repealed.

Said Committee Amendment to **HB 249** is as follows:

Amend printed copy of House Bill 249 on page 1, line 4, by:

deleting the word "clinical"

and on page 11, line 24, by:

deleting the word "any" and inserting the word "no"

and on page 2, line 7, by inserting after the word "principles" the words "and methods"

and on page 6, line 24, deleting the word "related" and inserting the word "rated"

and on page 1, line 7 by deleting "16" and inserting "15"

HB 348, AN ACT changing the classification of the City of Fort Thomas, in Campbell County.

WHEREAS, satisfactory information has been presented to the General Assembly that the population of the City of Fort Thomas, in Campbell County, is such as to justify its beig classified as a city of the third class,

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

The City of Fort Thomas, in Campbell County, is transferred from the fourth to the third class of cities.

SB 244, AN ACT relating to savings and loan associations.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. This Act may be cited as the "Savings and Loan Association Act."

Section 2. As used in this Act, unless the context otherwise requires:

(1) "Association" means a savings and loan association subject to the provisions of this Act and building and loan associations as defined in KRS 136.290, 136.300 and 136.310.

(2) "Combination home and business structure" means a building or buildings, including residences for not more than four families, which are used in part for business purposes. The residential use of such a building must be substantial and permanent, not merely transitory. The business use may predominate.

(3) "Commissioner" means the Commissioner of Banking and Securities.

(4) "Direct-reduction loan" means a loan repayable in consecutive weekly, monthly or semi-annual installments, equal or unequal, sufficient to retire the debt, interest, and principal; provided, however, that the initial loan contract shall not provide for any subsequent monthly installment of an amount larger than any previous monthly installment; and, provided further, that in the case of construction loans the first payment under said contract shall be made not later than twelve (12) months after the date of the first advance. Any such loan is an amortized loan.

(5) "Dividend" or "Earnings" means that part of the net income of an association which is declared payable on savings accounts and savings certificates from time to time by the board of directors, and is the cost of savings money to the association.

(6) "Gross income" means the sum for an accounting period of the following:

(a) Operating income.

(b) Real estate income.

(c) All profits actually received during such accounting period from the sale of securities, real estate, or other property.

(d) Other non-recurring income.

(7) "Home" means a dwelling or dwellings for not more than four families, the principal use of which is for residential purposes. A home on a farm is a home.

(8) "Home Loan" means a real estate loan the security for which is home property.

(9) "Home property" means real estate on which there is located, or will be located pursuant to a home loan, a home or a combination home and business structure.

(10) "Impaired condition" means a condition in which the assets of an association in the aggregate do not have a fair value equal to the aggregate amount of liabilities of the association to its creditors, including its members and all other persons.

(11) "Improved real estate" means real estate on which there is a structure or an enclosure, or which is cultivated, reclaimed, used for the purpose of agriculture in any form, or otherwise occupied, made better, more useful, or of greater value by care so as to produce an enjoyment thereof.

(12) "Insured association" means an association the savings accounts of which are insured in accordance with the provisions of this Act.

(13) "Member" means a person holding a savings account or a savings certificate of an association, or a person borrowing from or assuming or obligated upon a loan or interest therein held by an association, or purchasing property securing a loan or interest therein held by an association. A joint and survivorship relationship, whether of investors or borrowers, constitutes a single membership.

(14) "Net income" means gross income for an accounting period less the aggregate of the following:

(a) Operating expenses.

(b) Real estate expenses.

(c) All losses actually sustained during such accounting period from the sale of securities, real estate or other property, or such portion of such losses as shall not have been charged to reserves, pursuant to the provisions of this Act.

(d) All interest paid, or due but unpaid, on borrowed money.

(e) Other non-recurring charges.

(15) "Net income available for dividends or earnings" means net income for an accounting period less amounts transferred to reserves as provided in this Act.

(16) "Operating expenses" means all expenses actually paid, or due but unpaid, by an association during an accounting period, excluding the following:

(a) Real estate expenses.

(b) Interest on borrowed money.

(c) Other non-recurring charges.

That portion of prepaid expenses which is not apportionable to the period may be excluded from operating expenses, in which event operating expenses for future periods shall include that portion of such prepaid expenses apportionable thereto.

(17) "Operating income" means all income actually received by an association during an accounting period, excluding the following:

(a) Foreclosed real estate income.

(b) Other non-recurring income.

(18) "Other real estate loan" means a real estate loan the security for which is real estate other than home property.

(19) "Real estate expenses" means all expenses actually paid, or due but unpaid, in connection with the ownership, maintenance, and sale of real estate (other than office building or buildings and real estate held for investment) by an association during an accounting period, excluding capital expenditures and losses on the sale of real estate.

(20) "Real estate income" means all income actually received by an association during an accounting period from real estate owned (other than from office building or buildings and real estate held for investment) excluding profit from sale of real estate.

(21) "Real estate loan" means any loan or other obligation secured by real estate, whether in fee or in a leasehold.

(22) "Savings account" means that part of the savings liability of the Association which is credited to the account of the holder thereof.

(23) "Savings Certificate" means that part of a savings account which is fully paid and is represented by a certificate.

(24) "Savings liability" means the aggregate amount of savings accounts and savings certificates of members, including dividends credited to such accounts, less redemptions and withdrawals.

(25) "Withdrawal value" means the amount credited to a savings account and savings certificate of a member, less lawful deductions therefrom, as shown by the records of the association.

(26) "Minor" means a person over 14 years of age and under 21 years of age.

(27) "Capital stock" as used in this Act may be used interchangeably with the term savings account and savings certificate.

Section 3. (1) Any five or more residents of this state (hereinafter referred to as the "incorporators") may form an association to promote thrift and home financing, subject to approval as provided in this Act, by signing and acknowledging, before an officer competent to take acknowledgments of deeds, two copies of a petition for a certificate of incorporation in the form prescribed by the Commissioner, and of the bylaws in the form set out below or in a form approved by the Commissioner, which shall be filed with the commissioner, accompanied by the incorporation fee.

(2) (a) Upon receipt of the articles of incorporation, the commissioner shall first determine whether or not the articles comply with the provisions of this chapter and, if he so finds, he shall promptly notify any state or federal savings and loan association in the locality in which the proposed office or offices are to be located specifying a time in which they must file objections. The commissioner shall then inquire into the advisability of approving the application by investigating:

1. The moral character and the financial responsibility of the incorporators and the principles of the applicant.

2. The public necessity of such an association in the community to be served, and

3. The reasonable probability of its usefulness and success. In so doing he shall determine whether or not the savings and loan association can be established without undue injury to properly conducted existing savings and loan associations, in connection with which the incorporators and principals shall furnish such information as they may desire and as the commissioner may require.

(b) After allowing the specified time for filing objections, the commissioner shall approve the application if he finds that the moral character and financial responsibility of the incorporators and principals are sound and such as to justify public confidence and to insure the reasonable probability of the success of the association; that the incorporators and principals have complied with the provisions of this chapter, that the incorporation is advisable and, after investigation there is reason to believe that no undue injury to properly conducted existing savings and loan associations, either state or federal, will result. Unless the application, after investigation, meets all the above requirements the commissioner shall disapprove it.

(c) If approved, the commissioner shall at the same time execute in triplicate a certificate of incorporation in the form prescribed by him.

(3) The commissioner shall file one signed copy of such certificate of approval and of the certificate of incorporation with the Secretary of State. The commissioner shall endorse upon the two copies of the petition for certificate of incorporation filed with him such certificate of approval and return the duplicate original and a

copy of the certificate of incorporation to the association, addressed to the chairman of the incorporators, and shall retain the original petition for certificate of incorporation and a copy of the certificate of incorporation in the permanent files of his office. The certificate of incorporation shall not be filed or recorded in any other state or county office. The failure of the commissioner to file, return, or retain any such document shall not affect the validity of the incorporation of any association.

(4) The corporate existence of an association shall begin when the commissioner shall issue the certificate of incorporation of the association, and such existence shall be perpetual unless terminated in accordance with the provisions of this Act.

(5) The chairman of the incorporators shall procure from a surety company or other surety acceptable to the commissioner, a surety bond in form approved by the commissionoer in an amount at least equal to the amount subscribed by the incorporators plus the expense fund. Such bond shall name the commissioner as obligee and shall be delivered to him. It shall assure the safekeeping of the funds subscribed and their delivery to the association after the issuance of the certificate of incorporation and after the bonding of the officers. In the event of the failure to complete organization, such bond shall assure the return of the amounts collected to the respective subscribers or their assigns, less reasonable expenses which shall be deducted from the expense fund.

(6) The incorporators, in addition to their subscriptions to savings accounts, shall create an expense fund in an amount not less than one-half of the minimum amount of savings account subscriptions required to be paid in under this Act, from which expense fund the expense of organizing the association and its operating expenses may be paid until such time as its income is sufficient to pay its operating expenses in addition to such dividends as may be declared and paid or credited to its savings account holders from its income. The incorporators and others shall not constitute a liability of the association except as hereinafter provided.

(7) Contributions made by the incorporators and others to the expense fund may be repaid pro rata to the contributors from the net income of the association after provisions for statutory reserves and declaration of dividends of not less than two percent on savings accounts. In case of the liquidation of an association before contributions to the expense fund have been repaid, any contributions to the expense fund remaining unexpended, after the payment of expenses of liquidation, all creditors, and the withdrawal value of all savings accounts, shall be repaid to the contributors pro rata. The books of the association shall reflect the expense fund. Contributors to the expense fund shall be paid dividends on the amounts paid in by them

and for such purpose such contributions shall in all respects be considered as savings accounts of the association.

(8) Within thirty days after the corporate existence of an association begins, the directors of the association shall hold an organization meeting and shall elect officers pursuant to the provisions of this Act. At the organization meeting the directors shall take such other action as is appropriate in connection with beginning the transaction of business by the association. The commissioner may extend by order the time within which the organization meeting shall be held.

Section 4. (1) The number of shares into which the capital stock of an association is divided shall be at least two hundred in cities having less than five thousand population and at least five hundred in other cities.

(2) The capital stock to be accumulated shall be divided into shares of the ultimate value fixed by the articles of incorporation, except associations in operation on March 20, 1918, in which case a copy of the bylaws, attested by the secretary of such association, shall be filed with the commissioner.

(3) The shares may be issued at such times and in such classes as the bylaws designate, and they may be issued upon the continuing or permanent plan, if so provided in the bylaws.

(4) Nothing within this Act shall be interpreted to permit the establishment of an association which could issue a type of capital stock which in essence would destroy the mutuality concept of a savings, building and loan association as presently existing.

Section 5. (1) (a) The name of every association incorporated shall include the words "Savings and Loan Association." These words shall be preceded by an appropriate descriptive word or words approved by the Commissioner of Banking and Securities. An ordinal number may not be used as a single descriptive word preceding the words, "Savings and Loan Association," unless such word is followed by the words "of ----------------." the blank being filled by the name of the town, city, or county in which the associaiton has its home office. An ordinal number may be used together with another descriptive word, preceding the words "Savings and Loan Association," provided the other descriptive word has not been used in the corporate name of any other association in the state, in which case the suffix mentioned above is not required to be used. An ordinal number may be used, together with another descriptive word, preceding the words "Savings and Loan Association," even when such other descriptive word has been used in the corporate name of an association in the state, provided the suffix "of----------------," as provided above, is also used. The suffix provided above may be used in any corporate name.

(b) The use of the words, "National," "Federal," "United States," "Insured," "Guaranteed," or any form thereof, separately or in any combination thereof with other words or syllables, is prohibited as part of the corporate name of an association. No certificate of incorporation of a proposed association having the same name as a corporation authorized to do business under the laws of this state or a name so nearly resembling it as to be calculated to deceive shall be issued by the commissioner.

(2) (a) No person, unless lawfully authorized to do business in this state under the provisions of this Act, and is actually engaged in carrying on a savings and loan association business, shall do business under any name or title which contains the terms "savings association," "savings and loan association," "building and loan association," "building association," or any combination employing either or both of the words "building" or "loan" with one or more of the words "saving," "savings," "thrift," or words of similar import, or any combination employing one or more of the words "saving," "savings," "thrift," or words of similar import with one or more of the words "association," "institution," "society," "company," "corporation" or words of similar import, or use any name or sign or circulate or use any letterhead, billhead, circular or paper whatever, or advertise or represent in any manner which indicates or reasonably implies that his or its business is the character or kind of business carried on or transacted by an association or which is calculated to lead any person to believe that his or its business is that of an association.

(b) Upon application by the commissioner or any association, a court of competent jurisdiction may issue an injunction to restrain any such entity from violating or continuing to violate any of the provisions of this subsection.

(c) The prohibitions of this subsection shall not apply to any corporation or association formed for the purpose of promoting the interests of savings associations, the membership of which is comprised of savings associations, their officers or other representatives.

(3) Without the prior approval of the commissioner, as provided in this Act, no association shall establish any office other than its home office, which shall be in the city and county named in the certificate of incorporation. No office of an association shall be moved from its immediate vicinity unless approved by the commissioner.

(4) The name or the location of the home office of any association fixed in the certificate of incorporation may be changed in the following manner: The proposed new name or the new location of the home office of the association shall be approved by a resolution adopted by the board of directors. Immediately preceding application to the commissioner for approval, notice of intention to change

the name or the location of the home office, signed by two officers, shall be published once a week for two successive weeks in a newspaper of general circulation in the county in which the home office is located, and a copy of such notice shall be displayed during such consecutive two weeks' period in a conspicuous place in the home office of the association. Five copies of an application to the commissioner for approval shall be signed by two officers of the association, acknowledged before an officer competent to take acknowledgments of deeds and filed with the commissioner. Upon approval of an application for change of name, the commissioner shall endorse on each copy of the application therefor a certificate of approval thereof, and the change of name of such association shall be effective immediately. Upon approval of an application for change of location of the home office of an association, the commissioner shall endorse on each copy of such application a certificate of approval, as provided in this Act. When the Commissioner shall have endorsed such approval upon the copies of an application for approval of change of name or change of location of the home office, he shall file one copy thereof with the Secretary of State, two copies with the Federal Home Loan Bank of which the association is a member, return one copy to the applicant association and retain the original copy in the permanent files of his office.

(5) Any association, which does not commence business within six months after the date of its corporate existence, shall forfeit its corporate existence, unless the commissioner, before the expiration of such six months' period, shall have approved the extension of time within which it may commence business, upon a written application stating the reasons for such delay. Upon such forfeiture the certificate of incorporation shall expire, and all action taken in connection with the incorporation thereof except the payment of the incorporation fee, shall become void. Amounts credited on savings accounts, less expenditures authorized by law, shall be returned pro rata to the respective holders thereof.

Section 6. (1) An annual meeting of the members of each association shall be held in the month of January, or as fixed in the bylaws of such association.

(2) The members who shall be entitled to vote at any meeting of the members shall be those who are members of record at the end of the calendar month next preceding the date of the meeting of members, except those who have ceased to be members in person or by written proxy.

(3) In the determination of all questions requiring action by the members, each member shall be entitled to cast one vote, or as fixed by the bylaws of such association.

(4) The bylaws shall provide the number of members present in person or by proxy at a regular or special meeting of members to constitute a quorum. A majority of all votes cast at any meeting of members or board of directors shall determine any questions.

Section 7. The association may charge any membership, admission, withdrawal, or any other fee or sum of money for the privilege of becoming, remaining, or ceasing to be a member of the association. The association may charge a member any sum of money by the way of fine or penalty against borrowers for defaults or in payment of loans.

Section 8. (1) Every member shall have the right to inspect such books and records of an association as pertain to his loan or savings account. Otherwise, the right of inspection and examination of the books and records shall be limited.

(a) to the commissioner or his duly authorized representatives as provided in this Act.

(b) to persons duly authorized to act for the association, and

(c) to any federal instrumentality or agency authorized to inspect or examine the books and records of an insured association.

(2) The books and records pertaining to the accounts and loans of members shall be kept confidential by the association, its directors, officers and employes, and by the commissioner, his examiners and representatives, except where the disclosure thereof shall be compelled by a court of competent jurisdiction, and no member or any other person shall have access to the books and records or shall be furnished or shall possess a partial or complete list of the members except upon express action and authority of the board of directors.

Section 9. Every association shall prepare and publish annually in a newspaper of general circulation in the county in which the home office of such association is located, and shall deliver to each member upon application therefor, a statement of its financial condition in the form prescribed or approved by the commissioner.

Section 10. (1) The business of the association shall be directed by a board of directors of not less than five nor more than fifteen, all of whom shall be residents of this state, as determined and elected by ballot from among the members by a majority of the votes of the members present.

(2) In order to qualify as a director, a member of an association must hold a savings account, or savings certificate the withdrawal value of which is at least $500.

(3) At the first annual meeting, the directors shall by majority vote be divided into three classes of as nearly equal numbers as pos-

sible. The terms of office of directors of the first class shall expire at the annual meeting next after the first election; of the second class, one year thereafter; and of the third class, two years thereafter; and at each annual election thereafter directors shall be chosen for a full term of three years to succeed those whose terms expire.

(4) The authorized numbers of directors within the limits specified in subsection (1) may be subsequently increased or decreased only by vote of the members.

(5) If the members fail to elect a director to fill each vacancy created by any such increase, the directors may fill such vacancy by electing a director to serve until the next annual meeting of the members, at which time a director shall be elected to fill the vacancy for the unexpired term for the class of director in which such vacancy exists.

(6) If the number of directors is changed and vacancies caused by such change are filled, the directors so elected shall be classified in accordance with the provisions of this section, so that each of the three classes shall always contain numbers as nearly equal as possible.

(7) Any vacancy among the directors, not so filled by the members, may be filled by a majority vote of the remaining directors, though less than a quorum, by electing a director to serve until the next annual meeting of the members, at which time a director shall be elected to fill the vacancy for the unexpired term for the class of director in which such vacancy exists. In the event of a vacancy on the board of directors from any cause, the remaining directors shall have full power and authority to continue direction of the association until such vacancy is filled.

Section 11. (1) Every person appointed or elected to any position requiring the receipt, payment, management or use of money belonging to an association, shall within thirty days after his appointment or election become bonded in some responsible fidelity insurance company in such amounts as the directors require. The bond must be approved by a majority of the directors before such person may enter upon the discharge of his duties.

(2) The premium upon all such bonds shall be paid by the association, and the bonds shall be in the custody of the officer provided for in the bylaws.

Section 12. (1) Any officer, director, trustee, attorney, agent or employee of any association who uses or disposes of the property or assets of the association or assigns, transfers, cancels, delivers up or acknowledges satisfaction of any bond, mortgage or other written statement belonging to the association, unless duly authorized or otherwise than in the regular and legal business of the corporation, or who is guilty of any fraud in the performance of his duties shall be liable civilly to the corporation and also to any other party injured to the extent of the damage caused thereby.

(2) Any officer, director, trustee, attorney, agent or employee of any association who fails to perform any duty or service imposed upon him by the association shall, unless he has been excused from the performance of such duty by the board of directors, be liable personally for any loss that may result by reason of such failure or neglect to perform his duty.

Section 13. Any officer, director or employee of an association who solicits, accepts or agrees to accept, directly or indirectly, from any person other than the association, any gratuity, compensation or other personal benfeit for any action taken by the association or for endeavoring to procure any such action, shall be guilty of a misdemeanor.

Section 14. (1) Every association shall keep at the home office correct and complete books of account and minutes of the proceedings of members and directors. Complete records of all business transacted at the home office shall be maintained at the home office. Control records of all business transacted at each branch office shall be maintained at the home office.

(2) Each branch office shall keep detailed records of all transactions at such branch office and shall furnish full control records to the home office.

(3) No association by any system of accounting or any device of bookkeeping shall, either directly or indirectly, enter any of its assets upon its books in the name of any other person, partnership, association, or corporation or under any title or designation that is not truly descriptive of such assets.

(4) The bonds or other interest-bearing obligations purchased by an association shall not be carried on its books at more than the actual cost.

(5) An association shall not carry any real estate on its books at a sum in excess of the total amount invested by such association on account of such real estate, including advances, costs, and improvements.

(6) Every association shall appraise each parcel of real estate at the time of acquisition. The report of each such appraisal shall be submitted in writing to the board of directors and shall be kept in the records of the association. The commissioner may require the appraisal of real estate securing loans which are delinquent more than twelve months.

(7) Every association shall maintain membership records, which shall show the name and address of the member, the status of the member as a savings account holder, or an obligor, or a savings account holder and obligor, and the date of their membership.

(8) Any association may cause any or all records kept by such association to be copied or reproduced by any photostatic, photographic or microfilming process which correctly and permanently copies, reproduces or forms a medium for copying or reproducing the original record on a film or other durable material, and such association may thereafter dispose of the original record. Any such copy or reproduction shall be deemed to be an original record for all purposes and shall be treated as an original record in all courts or administrative agencies for the purpose of its admissibility in evidence. A facsimile, exemplification or certified copy of any such copy or reproduction reproduced from a film record shall, for all purposes, be deemed a facsimile, exemplification or certified copy of the original record.

Section 15. The savings liability of an association shall consist only of the aggregate amount of savings accounts of its members, plus dividends credited to such accounts, less redemption and withdrawal payments. Except as limited by the board of directors from time to time, a member may make additions to his savings accounts in such amounts and at such times as he may elect. The members of an association shall not be responsible for any losses which its savings liability shall not be sufficient to satisfy, and savings accounts shall not be subject to assessment, except as herein specifically provided, nor shall the holders thereof be liable for any unpaid installments on their accounts. Dividends shall be declared in accordance with the provisions of this Act. No preference between savings account members shall be created with respect to the distribution of assets upon voluntary or involuntary liquidation, dissolution, or winding up of an association. No association shall have power to contract with respect to the savings liability in a manner inconsistent with the provisions of this Act.

Section 16. Savings accounts and savings certificates may be opened and held solely and absolutely in his own right by, or in trust or other fiduciary capacity for, any person, including a governmental unit. Savings accounts shall be represented only by the account of each savings account holder on the books of the association, and shall be transferable only on the books of the association and upon proper application by the transferee and upon acceptance of the transferee as a member upon terms approved by the board of directors. The association may treat the holder of record of a savings account as the owner thereof for all purposes without being affected by any notice to the contrary unless the associaiton has acknowledged in writing notice of a pledge of such savings account.

Section 17. (1) An association may issue stock upon which payments are to be made at stated periods until the share reaches the ultimate value fixed by the articles of incorporation or bylaws or is withdrawn, canceled or forfeited. Payments on such shares shall commence from date of issuance and if in a series shall commence from its issuance, but all such shares shall share equally in the income.

(2) An association may convert partly paid-up stock and may restrict such stock to a lesser rate of dividend, the association may also issue paid-up stock upon which all payments may be made in full at the time of issuance, and the association may also issue optional savings stock and may restrict their stock to a lesser rate of dividend.

(3) Every share shall be subject to a lien for payment of unpaid installments and such other charges as may be lawfully incurred thereon under the provisions of this chapter, and the bylaws may prescribe the mananer of enforcing the lien.

(4) An association may issue stock for the purpose of making loans upon the direct reduction plan, or a plan where reductions are made at every semiannual period.

(5) All shares which have matured or which have been canceled, withdrawn or retired may be reissued as of subsequent date or series.

(6) The bylaws shall provide the method of transfer of shares of stock.

(7) The maximum percent of stock which one person may hold in any association shall be:

(a) Where the authorized stock is $100,000 or less, an amount equal to four percent of the whole number of shares;

(b) Where the authorized stock is over $100,000, but not over $500,000, an amount equal to three percent;

(c) Where the authorized stock is over $500,000, but not over $1,000,000, an amount equal to two and one-half percent; and

(d) Where the authorized stock is over $1,000,000, an amount equal to two percent.

Any association may restrict the number of shares which any person may own, to a percent less than that permitted by this subsection.

(8) Upon the filing with an association by the holder of record as shown by the books of the association, or by his legal representative, of an affidavit to the effect that the account book or certificate

evidencing his savings account with the association has been lost or destroyed, and that such account book or certificate has not been pledged or assigned in whole or in part, such association shall issue a new account book or certificate in the name of the holder of record, such evidence stating that it is issued in lieu of the one lost or destroyed, and the association shall in no way be liable thereafter on account of the original account book or certificate, provided that the board of directors shall, if in its judgment it is necessary, require a bond in an amount it deems sufficient to indemnify the association against any loss which might result from the issuance of such new account book or certificate.

Section 18. (1) Every domestic association shall set aside at least one percent of the net income each year as a reserve fund to provide against contingent losses, until the total amount of the fund so set aside equals twelve percent of the assets of the association. The commissioner may require other specific reserves in his discretion.

(2) Any losses from sale of real estate may be charged against this fund and in the event of any such charges then any profits from the sale of real estate shall, to the extent of losses charged, be credited to the said fund.

Section 19. (1) Dividends shall be declared, credited, or paid on all stock daily, quarterly, semi-annually, or annually, as the bylaws provide and the savings account from which the amount is so withdrawn shall have been outstanding for a period of not less than six months; and earnings on any amount so withdrawn shall neither be distributed for any greater portion of the dividend period than that during which such amount remained in the association, nor at the rate in excess of the rate at which earnings, exclusive of any bonus, are distributed on savings accounts for the dividend period in which such amount is so withdrawn. All stock upon which payments are made in installments, except stock pledged upon the direct reduction plan, and all paid-up fully participating stock, shall be entitled to dividend in proportion to the amount paid in on such stock. Paid-up stock upon which the dividend rate is limited shall not participate in profits in excess of the limited rate.

(2) Stock issued upon which mortgage is made upon semiannual reduction plan shall participate in any dividend only to extent of payments not credited upon the loan.

(3) No dividend shall be declared, credited, or paid by any association except out of net income collected after deducting all expenses of operation and all losses sustained, except such losses from sale of real estate as may be charged to the reserve fund as provided in this Act.

Section 20. When funds are available for such purpose, the association may redeem, by lot or otherwise, as the board of directors may determine, all or any part of any of its savings accounts or savings certificates on a dividend date by giving thirty days' notice by registered mail addressed to each affected account holder at his last address as recorded on the books of the association. No association shall redeem any of its savings accounts when the association is in an impaired condition or when it has applications for withdrawal which have been on file more than thirty days and have not been reached for payment. The redemption price of savings accounts redeemed shall be the full value of the account redeemed, as determined by the board of directors, but in no event shall the redemption price be less than the withdrawal value. If the notice of redemption shall have been duly given, and if on or before the redemption date the funds necessary for such redemption shall have been set aside so as to be and continue to be available therefor, dividends upon the accounts called for redemption shall cease to accrue after the dividend date specified as the redemption date, and all rights with respect to such accounts shall, after such redemption date, terminate, except the right of the account holder of record to receive the redemption price without dividend. All saving account books or certificates evidencing savings accounts which have been validly called for redemption must be tendered for payment within ten years from the date of redemption designated in the redemption notice, otherwise they shall be canceled and all claims of such account holders against the association shall be barred.

Section 21. (1) A member may withdraw his unpledged shares at any time by giving thirty days' written notice of his desire to do so. The association shall number and file the applications to withdraw in the order received and shall, after thirty days from the receipt of such application, either pay the holder the value thereof, in part or in full as requested, or apply at least one-half of the receipts of the association from its shareholders and borrowers to the withdrawal of such share in numerical order. Shareholders filing written applications for the withdrawal of their shares shall remain shareholders until paid, and shall not become creditors.

(2) No association shall be required to pay out on withdrawals more than one-half of its net weekly receipts after the payment of current dividends, and after making provisions for anticipated dividends and the payment thereof, repaying money borrowed and after paying administration expenses of the association, taxes, insurance and repairs on property owned, municipal assessments, and any other necessary disbursements.

(3) When one member applies for a withdrawal of more than five hundred dollars, he shall be paid five hundred dollars in order

when reached, and his application shall be charged with the amount paid and shall be renumbered and placed at the end of the list of applications to withdraw, and thereafter upon again being reached, shall be paid a like amount, not exceeding the value of his shares, and until paid in full shall continue to be so paid, renumbered, and replaced at the end of the list until the amount applied for has been paid. A member withdrawing, when paid, shall receive the full amount paid in as dues or paid-up stock, together with only such dividends as have been declared and credited on his shares, less all fines, interest, or other charges.

(4) Subject to the approval of the board of directors, any borrowing member who fully satisfied the directors of his inability to pay, may be permitted to withdraw from his dues a sum sufficient to be applied to payment of taxes, assessments for municipal improvements, repairs, considered necessary by the directors to protect the loan, and sanitary improvements.

(5) All dues so withdrawn shall be applied for such purposes under the supervision of the association, and receipts evidencing such payments and expenditures shall be filed in the office of the association, with the note and mortgage of the members. No withdrawal for repairs shall be permitted without an appraisal, nor shall withdrawals be made for such purpose if a current appraisal is sufficient to grant a mortgage for that purpose.

(6) The board of directors may apply any of the money paid in by borrowing members as dues, to the payment of premiums for fire and tornado insurance.

Section 22. The directors may under the rules made by them in conformity with bylaws, retire the unpledged shares, in the order of their issuance, by enforcing their withdrawal, and the owners shall be paid the full value of their shares together with current dividends thereon from date of the last preceding distribution of income, less any unpaid fines, but all fully paid, prepaid or matured shares that may be outstanding shall first be retired.

Section 23. When the dues paid in with the dividends credited on any unpledged shares reaches the par value of shares as fixed by the articles of incorporation, all payments of dues shall cease, and if the member so desires he shall be entitled to receive the value as fixed by the articles of incorporation with current dividends at such rates as is fixed by the board of directors. Payment on withdrawal of matured shares shall be otherwise subject to the same restrictions and limitations as payments on other shares.

Section 24. Every association subject to this Act shall have such powers as may be incidental to or reasonably necessary for the accomplishment of the objects and purposes of the association, including, but not limited to the following:

(1) General Corporate Power.

(a) To sue and be sued;

(b) To acquire, hold, sell, dispose of, pledge, mortgage or lease any property consistent with its objects and powers;

(c) To take property by gifts, devise, or bequest;

(d) To have a corporate seal, which may be affixed by imprint, facsimile, or otherwise;

(e) To appoint officers, agents, and employes as its business shall require and allow them suitable compensation;

(f) To provide for life, health and casualty insurance for officers and employes; and to adopt and operate reasonable bonus plans and retirement benefits for such officers and employes;

(g) To adopt and amend bylaws as provided in this Act;

(h) To insure its accounts in accordance with the provisions of this Act;

(i) To qualify as a member of the Federal Home Loan Bank;

(j) To become a member of, deal with, or make contributions to any organization to the extent that such organization assists in furthering or facilitating the association's purposes or powers and to comply with conditions of membership; and

(k) To accept savings as provided in this Act.

(2) To obtain and maintain insurance of its savings accounts by the Federal Savings and Loan Insurance Corporation or other federal agency established for the purpose of insuring savings accounts in associations; provided that no association subject to the provisions of this Act shall have the power to obtain insurance of accounts from, or represent in any way that its accounts are insured by, any insurer other than the Federal Savings and Loan Insurance Corporation, or other federal agency.

(a) Excepting banks, no association or foreign association or any other person shall advertise or represent or accept or offer to accept any savings accounts in this state as insured accounts or as savings accounts of an insured institution unless the same are inured as provided in this section, and any violation of this provision shall be a separate offense for each day of such violation and shall be a misdemeanor and shall be enjoined upon the application of the Attorney General, the commissioner or other state prosecuting official, or by any association in this state.

Section 25. (1) Associations may make loans on the direct reduction plan. The board of directors may or the bylaws of the association shall prescribe interest rates which may be variable and may prescribe the duration of the loan, and the loan shall be payable in equal weekly or monthly installments.

(2) The applicant for such loan shall subscribe for and shall pledge one or more shares of stock of the association or the association may require the applicant for such loan to subscribe for and pledge shares or fractional shares of stock, equal, when paid up, to the amount of the loan. Payment of dues and interest shall be credited upon the loan and shares in accordance with the direct reduction plan adopted. In consideration of making loans upon such plan no dividend shall be declared or paid or credited upon amounts credited as dues or principal upon such loans, but all payments, made on the loans shall be first applied to interest due to the date of respective payments and the balance applies as dues on principal, and interest shall be collected only on the balance. When the amount paid in as dues and credited as payment on the shares as calculated equals the value of a share or shares, such shares shall be considered paid in full and automatically canceled, but such cancellation shall in no manner affect or reduce the stipulated weekly or monthly installment payments provided to be paid in the note or mortgage given to evidence and secure the payment of the loan. No borrower shall be permitted more than one vote for any and all shares owned by him, which are pledged as security for a loan.

(3) When any such installment becomes due and remains unpaid for six weeks after it has become due and payable, then all the balance of such installments, both due and to become due, shall immediately become due and payable at the option of the holder of the note, and the borrower shall be notified of the delinquency, and payments shall be demanded, by mail with postage prepaid to the address of the borrower as it appears on the books of the association. If the delinquent payments of principal and interest are not paid within thirty days from the mailing of the notice, then all money paid in as dues or principal and such shares, may be forfeited by the association and applied first to the payment of interest due and the balance on principal, and suit may be brought to enforce payment of the note and mortgage.

(4) Associations may make loans on the sole security of savings accounts or savings certificates. No such loan shall exceed the withdrawal value of the accounts owned or savings certificates or otherwise pledged for or by the borrower. No such loan shall be made when an association has applications for withdrawal which have been on file more than sixty days and not reached for payment.

(5) (a) Associations may make loans on a reduction plan where the reduction of loan or credit upon loan shall be made at the end of every semi-annual period. The applicants for such loans shall subscribe for shares equal, when paid up, to the amount of such loans.

(b) The bylaws shall prescribe the interest rate and duration of the loan, and the loan shall be payable in equal weekly or monthly installments. Payment of dues, interest, and premium, shall be credited upon the semi-annual reduction plan. At the end of each semi-annual period, the dues paid, and any dividends credited, shall be credited upon the loan.

(c) All payments made on the loan shall first be credited to payment of interest and premium, and the balance, with dividends credited, shall be applied on principal at the end of every semi-annual period. After such credit, interest shall be charged on the balance. When the amount paid is as dues, together with dividends credited, equals the par value of the shares, such shares shall automatically be cancelled, and the mortgage released.

(d) All loans made under this plan shall be subject to the provisions relating to repayment of loans, and relating to default in payment of dues and interest as provided in this Act.

(6) Associations may make without regard to the foregoing any loan, secured or unsecured, which is insured or guaranteed in any manner and in any amount by the United States or any instrumentality thereof.

(7) In the case of loans made under subsections (4), (5) and (6) of this section, in the event the ownership of the real estate security or any part thereof becomes vested in a person other than the party or parties originally executing the security instruments, and provided there is not an agreement in writing to the contrary, an association may, without notice to such party or parties, deal with such successor or successors in interest with reference to said mortgage and the debt thereby secured in the same manner as with such party or parties, and may forbear to sue or may extend time for payment of or otherwise modify the terms of the debt secured thereby, without discharging or in an way affecting the original liability of such party or parties thereunder or upon the debt thereby secured.

(8) Associations may make property improvement loans to home owners and other property owners for maintenance, repair, modernization and improvement of their properties, with or without security, provided, that no such loan without security shall exceed $3,500, and provided, further, that not in excess of twenty-five percent of the assets of the association shall be so invested.

(9) The power to make loans shall include:

(a) The power to purchase loans of any type that the association may make and

(b) The power to make loans upon the security of loans of any type that the association may make.

(10) Associations may participate with other lenders in loans of any type that such an association may otherwise make, provided,

that the other participants are instrumentalities of or corporations owned wholly or in part by the United States or this state, or are associations organized under the laws of this state, or are associations or corporations insured by the Federal Savings and Loan Insurance Corporation or the Federal Deposit Insurance Corporation, or are life insurance companies with assets in excess of one hundred million dollars, or are employees' or self-employed persons' trusts qualified and exempt from federal income tax under the provisions of the laws of the United States.

(11) Associations may sell without recourse any loan, including any participating interests therein, at any time, provided, that the total dollar amount of such loans sold, including such sale, within the calendar year beginning January 1 immediately preceding the date of such sale, does not exceed a sum equivalent to twenty-five percent of the dollar amount of all loans and participating interests in loans held by such association at the beginning of such calendar year; provided, further, that the commissioner, upon application of the association showing good cause, may authorize the sale of a greater amount during a calendar year. Notwithstanding the limitations of this subsection, loans may be assigned with recourse to any Federal Home Loan Bank of which the association is a member.

(12) Associations may service mortgages. The maximum principal amount of mortgages thus serviced by an association at any one time shall not exceed two-thirds of the amount of the savings liability of such association.

Section 26. (1) Real estate loans may be made only as authorized by this Act. No real estate loan shall be made until a qualified person or persons selected by the board of directors shall have submitted a signed appraisal of the real estate securing such loan.

(2) Every loan shall be evidence by a note or bond for the amount of the loan. The note or bond shall specify the amount, rate of interest, terms of repayment including any penalty or charge for late payment, and may contain all other terms of the loan contract.

(3) Every real estate loan shall be secured by a mortgage or other instrument constituting to a first lien, upon the real estate securing the loan, according to any lawful or well-organized practice which is best suited to the transaction. Any such instrument, constituting a first lien, is herein termed a "mortgage." Such mortgage shall provide specifically for full protection to the association with respect to such loan and additional advances and the usual insurance risks, taxes, assessments, other governmental levies, maintenance, and repairs. It may provide for an assignment of rents, which assignment shall be absolute upon the borrower's default, becoming operative upon written demand made by the association. All such mortgages

shall be recorded in accordance with the law of this Commonwealth.

(4) Any mortgage that can be made by an association under the provisions of this Act may be made to secure existing debts or obligations, to secure debts or obligations created simultaneously with the execution of the mortgage, to secure future advances to be made at the option of the parties up to a total amount stated in the mortgage, and all such debts, obligations, and future advances shall, from and as of the time the mortgage is filed for record as provided by the law of this state, be secured by such mortgage equally with, and have the same priority over the rights of all persons who subsequent to the recording of such mortgage acquire any rights in or liens upon the mortgaged real estate as the debts and obligations secured thereby at the time of the filing of the mortgage for record.

(5) An association may pay taxes, assessments, insurance premiums, and other similar charges for the protection of its real estate loans. All such payments shall be added to the unpaid balance of the loan and shall be equally secured by the first lien on the property as provided in subsection (3) of this section. An association may require life insurance to be assigned as additional collateral upon any real estate loan. In such event, the association shall obtain a first lien upon such policy and may advance premiums thereon, and such premium advances shall be added to the unpaid balance of the loan and shall be equally secured by the first lien on the property as provided in subsection (3) of this section.

Section 27. (1) In addition to the powers heretofore granted, any savings and loan association shall have the power to lend money; to charge or to receive in advance interest therefor; to contract for a charge for a secured or unsecured installment loan, and which under its terms shall be repayable in substantially equal installments over a period of not exceeding five years and thirty-two days, which charge shall be at a rate not exceeding six dollars per one hundred dollars per annum upon the first two thousand dollars of the principal amount of the loan, and not exceeding five dollars per one hundred dollars per annum upon the excess of the principal amount of the loan over two thousand dollars, which charge or charges shall be for the entire period of the loan and may be collected in advance.

(2) In addition to the charge permitted by this section, no further amount shall be directly or indirectly charged, contracted for, or received on any such installment loan, except lawful fees actually paid to a public officer for filing, recording, or releasing any instrument securing the loan and delinquent charges as hereinafter set out, and except an investigation fee not exceeding one dollar for each fifty dollars or fraction thereof upon the first eight hundred dollars of the principal amount of such loans.

(3) Delinquency charges may be made not to exceed five cents for each dollar of each installment more than ten days in arrears, and only one delinquency charge shall be made on any one installment. No delinquency charge shall exceed five dollars on any one installment. In addition to such delinquency charges, attorney's fees not exceeding fifteen percent of the unpaid balance and court costs may be collected, provided that the note is referred to an attorney not a salaried employe of the holder for collection.

(4) The lending institution shall permit the borrower to repay his loan in whole or in part at any time. If a loan is paid in full prior to maturity, the lending institution shall make a rebate at a rate not less than six percent per annum of the amount paid in advance of the due date, if the maximum financing charge permitted hereunder has been taken. If a lesser charge has been taken, the rebate shall be at not less than a proportional rate. Provided, however, the lending institution shall be permitted in computing rebates to retain a minimum charge of ten dollars to cover its acquisition costs and where the amount of credit for anticipation of payment is less than one dollar, no rebate need be made.

(5) In the case of loans made under this section the association shall not take any assignment, pledge or transfer of wages to be earned or paid in the future, nor any first lien or first mortgage on real estate as security, except such lien as is created by virtue of a judgment or decree. Nothing in this section is intended to prevent lending institutions from making loans under the provisions of the National Housing Act or any other federal legislation which loans are hereby authorized.

(6) No lending institution under this section shall split up or divide a loan or permit any person to become obligated to it under more than one contract of loan at the same time for the purpose of obtaining a greater charge than would otherwise be permitted by this section.

(7) Every note evidencing a loan made under this section shall contain the following information and provisions: The original principal amount of the loan excluding any charge made under this section; a statement of the total charge for the loan; the amount and the date of each installment; the date of final maturity; an agreement that the borrower may repay the loan in whole or in part at any time, and that if the loan is paid in full before final maturity, the borrower will receive a refund of the unearned portion of the charge as required by this section. At the time the loan is made, the lending institution shall give the borrower either a copy of the note, or a statement of the transaction containing the provisions and information required to be contained in the note. The lending institution shall deliver a receipt for each payment.

(8) In advertising for loans subject to this section, every advertisement shall conform to the following requirement: Any statement of the amount of the loan shall be the original principal amount showing in detail any charge made under this section.

(9) KRS 288.420, 288.620 and 360.010 shall not apply to loans made under authority of this section, but said sections shall remain in full force and effect for all other purposes. Nothing in this section shall be construed to impair the validity or effect of said sections with respect to loans other than those made pursuant to this section nor shall anything in this section be construed to impair the validity or effect of KRS 360.025.

(10) Any contract of loan in the making or collection of which any act shall have been done which constitutes a willful violation of any provision of this section shall be void, and the savings and loan association shall have no right to collect or receive any interest or charges whatsoever on such loan, but the unpaid principal of the loan shall be paid in full to the lending institution.

Section 28. Savings and loan associations may make loans in accordance with the provisions of Act of Congress styled "Servicemen's Readjustment Act of 1944" and any amendments thereto.

Section 29. (1) The borrower may repay a loan at any time upon application to the association in the manner provided in the bylaws, and upon settlement of his account he shall be charged with the full amount of the original loan, together with all installments of interest, dues, premiums and fines in arrears and other charges and shall be given credit for the withdrawable value of his shares pledged and transferred as security and the balance shall be received by the association, in full satisfaction of the loan.

(2) The borrower desiring to retain his shares and membership may, at his option, repay his loan without claiming credit for the shares, and the shares shall be free from any claim by reason of the cancelled loan, but in the event the association distributes its net income to nonborrowers in cash, the borrower shall be required to withdraw any net income which have been credited upon his loan.

(3) Any borrowing member may elect to have applied as a credit upon his loan or advance the withdrawal value of his pledged shares when such value is equal to one full share of any multiple thereof and upon giving notice as required by Section 21 of this Act, the member may withdraw an amount equal to one or more full shares and apply such amount to the reduction of his loan; the remaining shares shall still be held as pledged and the note evidencing the loan and the mortgage given to secure the same, shall in no manner be prejudiced by such withdrawal and cancellation whether

or not provided for in the mortgage and note and after the application of every such credit the amount of the loan or advance shall immediately be reduced in accordance with the amount so applied as a credit and such member shall not thereafter be held liable for any greater amount than remains due after the application of such credits, except for arrearages and penalties occasioned by the member's own default.

(4) Notice of the borrowing member's right to apply withdrawal values of shares upon loan or advance shall be given by printed or written notices posted in not less than three conspicuous places in the office of the association.

Section 30. (1) Members who default in payment of their monthly or weekly charges, may be charged a fine not exceeding ten cents per share a month on each share in arrears, and in the event the member is a borrower, not exceeding an additional ten cents per one hundred dollars or part thereof on account of failure to pay interest. No fine shall be charged after the expiration of six months from the first lapse in any such payment, nor upon fines in arrears.

(2) The shares of a member who continues in arrears more than six weeks shall, at the option of the directors, if the member fails to pay the arrears within thirty days after notice, be declared forfeited and the withdrawable value of the shares at the time of the first default shall be ascertained and, after deducting all fines and other legal charges, the balance shall be placed to an account to be designated as the "forfeited share account" to the credit of the defaulting member. If the member is not a borrower, he shall be entitled, upon thirty days' notice, to receive the balance so transferred without interest, in his turn, out of the funds appropriated to the payment of withdrawals. All shares so forfeited or transferred shall cease to participate in any income of the corporation accruing after the last adjustment and distribution of dividends before the default.

(3) An association may require borrower to pay monthly in advance, in addition to interest or interest and principal payments, the equivalent of one-twelfth of the estimated annual taxes, assessments, insurance premiums, and other charges upon the real estate securing a loan, or any of such charges, so as to enable the association to pay such charges as they become due from the funds so received. The amount of such monthly charges may be increased or decreased so as to provide reasonably for the payment of the estimated annual taxes, assessments, insurance premiums, and other charges. The association may carry such funds in trust in an account or may credit the same to the indebtedness and advance the money for taxes, insurance, or other charges. Every association shall keep a record of the status of taxes, assessments, insurance premiums, and other charges

on all real estate securing its loans and on all real and other property owned by it.

Section 31. (1) Every association may require borrowing members to pay all reasonable expenses incurred in connection with the making, closing, disbursing, extending, readjusting, or renewing of real estate loans. Without limiting the generality of the foregoing, such expenses may include appraisal, attorneys' fees, abstract, recording, and registration fees, title examination, title insurance, mortgage insurance, credit report, survey, drawing of papers, escrow services, loan closing costs, and taxes or charges imposed upon or in connection with the making and recording of any mortgage.

(2) Every association also may require borrowing members to pay the cost of all other necessary and incidental services rendered by the association or by others in connection with real estate loans in such reasonable amounts as may be fixed by the board of directors. Without limiting the generality of the foregoing, such costs may include the costs of services of inspectors, engineers, and architects.

(3) Such initial charges may be collected by the association from the borrower and paid to any person, including any director, officer, or employee of the association rendering such services, or paid directly by the borrower.

(4) In lieu of such initial charges to cover such expenses and costs, an association may make a reasonable charge, part or all of which may be retained by the association which renders such service, or part or all of which may be paid to others who renders such services.

(5) The fees and charges authorized by this and Section 30 shall be in addition to interest authorized by law, and shall not be deemed to be a part of the interest collected or agreed to be paid on such loans within the meaning of any law of this Commonwealth which limits the rate of interest which may be exacted in any transaction.

Section 32. (1) Money accumulated after making allowances for necessary proper expenses and for withdrawal of shares, shall at each monthly or weekly meeting be offered to members according to their priority or right to a loan as fixed by the bylaws. The bylaws may restrict the maximum amount of loan to which members may be entitled. Each member whose application for a loan has been approved shall be entitled, upon giving proper security and complying with the bylaws, to receive a loan equal to the par value of such share or fractional share held by him, or such part as the bylaws allow.

(2) If a balance of money remains after the weekly or monthly

loans are granted, the directors may invest the balance in securities in which banks are now permitted to invest.

(3) Any association may subscribe for and invest their funds in the stock of any Home Loan Bank in such amounts and upon such terms as may be permitted by the laws and regulations governing the bank. Any association may exchange any real estate, real estate mortgage notes, bonds, or any other investments or securities held by them for the bonds of the U. S., taking the bonds at par in lieu of cash, and may take the bonds at their face value in reduction of in payment of indebtedness due to any savings and loan association, or in payment for, or on account of, the purchase price on a sale or transfer of any property, investment, or asset of the building and loan association.

(4) No director, officer, or employee of an association shall receive any fee or other compensation of any kind in connection with procuring any loan for an association, except for services actually rendered as above provided.

(5) The association shall furnish a loan settlement statement to each borrower upon the closing of the loan, indicating in detail the charges and fees such borrower has paid or obligated himself to pay to the association or to any other person in connection with such loan. A copy of such statement shall be retained in the records of the association.

Section 33. (1) Any association may purchase at any sale any real estate upon which it holds any encumbrance or in which it has an interest and may dispose of such property at any time within five years after it has acquired title.

(2) Any association may acquire and own real estate for the purpose of occupying it as its own business building and may derive a revenue from the portions of such real estate not required for its own use. Real estate so held may be sold, conveyed or exchanged.

Section 34. (1) If an association is not a member of a Federal Home Loan Bank, it may borrow money, but not more than an aggregate amount equal to one-fourth of its savings liability on the date of borrowing.

(2) If an association is a member of a Federal Home Loan Bank, it may secure advances of not more than an aggregate amount equal to one-half of its savings liability; within an amount equal to one-half of its savings liability, the association may borrow from sources other than such Federal Home Loan Bank, an aggregate amount not in excess of ten percent of its savings liability.

(3) A subsequent reduction of savings liability shall not affect in any way outstanding obligations for borrowed money.

(4) All such loans and advances may be secured by property of the association.

Section 35. An association may pay withdrawals and redeem accounts in accordance with the provisions of this Act.

Section 36. Any association may act as a fiscal agent for the United States solely for the purpose of sale and redemption of United States Savings Bonds when so designated by the Secretary of the Treasury.

Section 37. (1) If conversion, merger or consolidation under Section 40 of this Act is authorized, the officers and directors shall, within six months from the date of the adoption of the resolution, take the steps necessary to effect a conversion, merger or consolidation of the association into a federal savings and loan association, and upon such terms as may then be agreed upon between the board of directors of the association and the Federal Home Loan Bank Board, or other proper federal authority. The conversion, merger or consolidation shall be void if not consummated within eighteen months.

(2) Upon the filing in the office of the commissioner of a certified copy of the charter or authorization issued to the association by the Federal Home Loan Bank Board, or other proper federal authority, or of a certificate showing the organization of the association as a federal association, certified to by the Federal Home Loan Bank Board, or its authorized representative, the association shall cease to be a state association and shall be a federal association, except that the corporate existence of the state association shall continue for three years for the purpose of prosecuting or defending suits by or against it, and enabling it to close its affairs.

Section 38. When a state association has been converted, merged, or consolidated into a federal association, all of its property and interest in property shall immediately by operation of law and without any act or deed of conveyance or transfer, become vested in the successor federal association. No creditor of the state association shall by reason of such conversion, merger or consolidation alone be deprived of or prejudiced with respect to any claim against the state association.

Section 39. A certified copy of the charter or authorization issued to the successor federal association shall be recorded in the corporation records of the county in which the state association had its principal office and place of business, and may be recorded in any other county in the state, and the recorded charter, authorization or certificate, or a certified copy thereof, shall be prima facie evidence of the facts therein stated.

Section 40. (1) Any association may convert itself into or merge or consolidate with a federal savings and loan association, as authorized by the Home Owners' Loan Act of 1933 (48 Stat. 128) and any amendment or supplements thereto, or laws hereafter enacted in substitution therefor and pursuant to any rules and regulations in accordance therewith.

(2) Before an association may act under subsection (1), the members owning at least two-thirds of the outstanding stock must consent in writing to the conversion, merger or consolidation, and after such consent has been given, the board of directors, at any regular meeting by a vote of two-thirds of the directors, may adopt resolutions authorizing the conversion or merger or consolidation.

Section 41. (1) Any federal savings and loan association may convert itself into a state-chartered association upon a vote of two-thirds or more of the votes of members of such federal savings and loan association cast at an annual meeting or at any special meeting called to consider such action. Copies of the minutes of the proceedings of such meeting, verified by the affidavit of the secretary or an assistant secretary, shall be filed in the office of the commissioner and mailed to the Federal Home Loan Bank Board, Washington, D. C., within ten days after such meeting. The verified copies of the proceedings of the meeting when so filed shall be presumptive evidence of the meeting and action taken at such meeting.

(2) At the meeting at which conversion is voted upon, the members shall also vote upon the directors who shall be the directors of the state-chartered association after conversion takes effect. Such directors then shall execute two copies of the petition for certificates of incorporation provided for in this Act and two copies of the bylaws, as provided in this Act.

(3) The commissioner shall insert in the certificates of incorporation, at the end of the paragraph preceding the testimonium clause, the following: "This association is incorporated by conversion from a federal savings and loan association."

(4) Each of the directors chosen for the association shall sign and acknowledge the petition for certificates of incorporation as subscribers thereto and the proposed bylaws as incorporators of the association.

(5) The provisions of this Act shall, so far as applicable, apply to such conversion under this Act. The commissioner may provide, by regulation for the procedure to be followed by any such federal sav-

ings and loan association converting into a state-chartered association. All the provisions regarding property and other rights contained in Section 38 shall apply, in reverse order, to the conversion of a federal savings and loan association into a state-chartered association, so that the state-chartered association shall be continuation of the corporate entity of the converting federal association and continue to have all of its property and rights.

Section 42. (1) Any two or more associations may consolidate into a single corporation by a majority vote of all the members of each of the different associations at a special meeting of each association called for that purpose, of which at least thirty days' notice shall have been given each member. The consolidation shall be upon such terms as the directors of the associations mutually agree upon, and the terms shall be plainly set forth to each member in the notice of the special meetings.

(2) Any member not consenting to the consolidation shall be entitled to receive the withdrawal value of his stock in settlement or to have the value thereof applied in part settlement of his loan, if he is a borrower.

Section 43. If conversion, merger or consolidation as provided in Section 40 of this Act is authorized, a copy of the resolutions adopted with respect thereto, verified by the affidavit of the president or a vice president and the secretary or assistant secretary of the association, shall be filed in the office of the commissioner within ten days from the date of the meeting.

Section 44. (1) Any association may reorganize or go into voluntary liquidation by the votes of its members owning at least two-thirds of the shares in force at the time the vote is taken.

(2) Whenever the members desire to reorganize or go into voluntary liquidation, the board of directors or the committee of members appointed for that purpose shall submit the question of reorganization or voluntary liquidation to a vote of the members at a special meeting of members, but no association shall reorganize or go into voluntary liquidation without the approval of the commissioner.

Section 45. (1) Whenever a meeting of the members is to be called as provided in Section 44 of this Act, the board of directors or the committee shall convene a special meeting of the members at the principal office of the association at such time as the directors or committee determine.

(2) Notice of meeting shall be given to every member of the association by mailing at least ten days before the time fixed for the meeting, a notice properly addressed to every member at his last

recorded address. The directors or committee shall also cause a notice of the meeting to be certified to the comimssioner at the time notice is given to the members.

Section 46. (1) The directors or committee shall prepare or have prepared a full exhibit of the affairs, property and condition of the association, including an itemized statement of its assets and liabilities, which exhibits shall be sworn to by a majority of the directors or of the committee before some officer authorized to take acknowledgements of deeds in this state. The report shall be printed and a copy thereof mailed along with the notice convening the special meeting.

(2) The original exhibit and the notice of meeting shall be filed with the commissioner at the time they are mailed to the members.

Section 47. At the special meeting all votes taken shall be by ballot, and votes by the members owning at least two-thirds of its shares in force at the time the vote is taken shall be necessary to carry any resolution for the reorganization or liquidation of the association. If the members pass a resolution for reorganization or liquidatin, a copy of the resolution, certified by the presiding officer and secretary of the meeting, and containing full instructions and defining the authority and compensation of the parties to be named therein, shall be given to the parties named, and a like duly certified copy of the resolution, instructions and authority shall immediately be filed with the commissioner by the parties named in any resolution before they enter upon the discharge of their duties. Before the parties named in any resolution assume the duties of their trust, they shall become bound with two or more sufficient sureties or some surety company authorized to do business in this state in such sum as the commissioner approves.

Section 48. The commissioner and examiners shall not be interested in an association, directly or indirectly, either as creditor (except that each may be a savings account holder and receive dividends thereon), director, officer, employe, borrower, trustee or attorney, nor shall any one of them receive, directly or indirectly, any payment, compensation or gratuity from any association.

Section 49. (1) The commissioner shall have general supervision over all associations and corporations which are subject to the provisions of this Act. He shall enforce the purposes of this Act by use of the powers herein conferred and by reference to the courts when required.

(2) Every approval by the commissioner given pursuant to the provisions of this Act and every communication having the effect of

an order or instruction to any association shall be in writing signed by the commissioner under seal, and shall be sent by registered mail to the association affected, addressed to the president at the home office of the association.

Section 50. (1) A branch office is a legally established place of business of the association other than the home office authorized by the board of directors and approved by the commissioner, at which savings accounts and loan payments may be accepted and applications for loans may be received, and at which account books and membership certificates may be issued.

(2) No association may establish or maintain a branch office without the prior written approval of the commissioner.

(3) Each application for approval of the establishment and maintenance of a branch office shall state the proposed location, the need, the functions to be performed, the estimated annual expense, and the mode of payment therefor. Each such application shall be accompanied by a budget of the association for the current dividend period and for the next succeeding semi-annual period, which reflects the estimated additional expense of the maintenance of such a branch office. Upon the receipt by the commissioner of such an application, he shall determine whether the establishment and maintenance of such office will unduly injure any properly conducted existing association or federal savings and loan association in the community where such branch office or agency is proposed to be established. If he finds that no undue injury is likely to result, that the establishment and maintenance of such branch office is advisable, and in the public interest, he may approve the application.

(4) No branch shall be established in any county other than the county in which is located the principal office of the association.

Section 51. In each January every association shall file with the commissioner a statement of its condition at the close of business on December 31 preceding. The statement shall be signed and sworn to by the president, manager or secretary and attested by at least two directors, and shall show the amount of paid-up capital, the amount of all cash receipts and disbursements and such other facts as the commissioner requires.

Section 52. (1) The affairs of every association not in liquidation shall be examined by the commissioner or an examiner of the commissioner as often as is deemed necessary, and at least once in every year, without any notice to the association, its officers or agents. The examiner shall make a thorough examination into the condition, workings and affairs of the association. All books, papers and records and assets of the association shall be subject to his inspection.

(2) The examiner shall file a report of his findings in the office of the commissioner and the commissioner shall furnish a copy of such report to the association examined. The examiner shall report any violation of law or any unauthorized or unfit practices or any failure to keep and have correct amounts of business of the association, and if he finds that any director has willfully neglected to attend meetings regularly, he shall recommend the discharge of such director.

(3) No examiner acting under the provisions of this Act shall disclose to any person, other than officially to the commissioner, in the report made to him or in compliance with the order of some court, the names of stockholders or members in any association, or any information respetcing their private accounts.

(4) All reports and information in the hands of the commissioner concerning federal associations, or federally insured association, shall be subject to inspection by the Federal Home Loan Bank and the Federal Home Loan Bank Board and their authorized representatives.

Section 53. (1) In lieu of the examination provided for in Section 52 of this Act, the commissioner may accept any examination made by a Federal Home Loan Bank, the Federal Home Loan Bank Board, or by the Federal Savings and Loan Insurance Corporation. Two copies of any audit, signed and certified by the auditor making such audit, shall be filed promptly with the commissioner.

(2) Whenever, in the judgment of the commissioner, the condition of any association renders it necessary or expedient to make an extra examination or to devote any extraordinary attention to its affairs, the commissioner shall cause such work to be done. A full and complete copy of the report of all examinations shall be furnished to the association examined. Such report of examination or audit shall be presented by the president to the board of directors at its next regular or special meeting.

(3) The commissioner, or his examiners or auditors, shall have access to all books and papers of an association which relate to its business, and books and papers kept by any officer, agent, or employe, relating to or upon which any record of its business is kept, and may summon witnesses and administer oaths or affirmations in the examination of the directors, officers, agents, or employes of any such association or any other person in relation to its affairs, transactions, and conditions, and may require and compel the production of records, books, papers, contracts, or other documents by court order, if not voluntarily produced.

Section 54. (1) If the commissioner, as a result of any examination or from any report made to him, finds that any association is violating the provisions of its certificate of incorporation or bylaws, or any state or federal laws, or any lawful order or regulation of the commissioner, he shall, by a formal written order delivered to the association pursuant to Section 49 (2), state any alleged violation, together with a statement of the facts alleged to be such violation, and order discontinuance of such violation and conformance with all requirements of law. The order shall specify the effective date thereof, which may be immediate or may be at a later date, and such order shall remain in effect until withdrawn by the commissioner or until terminated by a court order. Such order of the commissioner, upon application made on or after the effective date thereof by the commissioner to a court of general jurisdiction in the county in which the home office of the association is located, shall be enforced ex parte and without notice by an order to comply, entered by such court. Any association affected by such order of the commissioner may, after receipt thereof, apply within thirty days to the court for an immediate hearing and order suspending the order of the commissioner until such time as the hearing has been completed. The hearing of such application to the court shall be upon such notice to the commissioner as the court shall provide. Whether upon application by the commissioner or by the association, the court shall have power and shall, after service of process, adjudicate the question and enter the proper order or orders and enforce the same.

(2) If the commissioner, as a result of any examination or from any report made to him, believes that the public interest may be served by the appointment of a conservator, apply to a court of general jurisdiction in the county in which the home office of the association is located for the appointment of a conservator. Such court is authorized to appoint a conservator if it finds that such association:

(a) Is in an impaired condition, or

(b) Is in violation of an order or injunction, as authorized by this section, which has become final in that the time to appeal has expired without appeal, or a final order entered from which there can be no appeal.

(3) The commissioner, his examiner, or another person may be appointed by the court as conservator, and a certified copy of the order of the court making such appointment shall be evidence thereof, such conservator shall have the power and authority provided in this Act and such other power and authority as may be expressed in the order of the court. Such conservator shall endeavor promptly to remedy the situations complained of in the petition for his appointment.

(4) Within six months of the date of such appointment, or within twelve months if the court shall extend such six months' period, such association shall be returned to its board of directors and there-

after shall be managed and operated as if no conservator had been appointed, or a receiver shall be appointed as provided in Section 55 of this Act.

(5) If the commissioner, or examiner, is appointed conservator he shall receive no additional compensation, but if another person is appointed, then the compensation of the conservator, as determined by the court, shall be paid by the association.

(6) A certified copy of the order of the court discharging such conservator and returning such association to its directors shall be sufficient evidence thereof.

(7) Any conservator appointed shall have all the rights, powers, and privileges possessed by the officers, board of directors, and members of the association.

(8) The conservator shall not retain special counsel or other experts, incur any expense other than normal operating expenses, or liquidate assets except in the ordinary court of operations.

(9) The directors and officers shall remain in office and the employes shall remain in their respective positions, but the conservator may remove any director, officer, or employe, provided the order of removal of a director or officer shall be approved in writing by the Commissioner.

(10) While the association is in the charge of a conservator, members of such association shall continue to make payments to the association in accordance with the terms and conditions of their contracts, and the conservator, in his discretion, may permit savings account members to withdraw their accounts from the association pursuant to the provisions of this Act or under such rules and regulations as the commissioner may prescribe. The conservator shall have power to accept savings accounts and additions to savings accounts, but any such amounts received by the conservator may be segregated if the commissioner shall so order in writing; if so ordered, such amounts shall not be subject to offset and shall not be used to liquidate any indebtedness of such association existing at the time the conservator was appointed for it or any subsequent indebtedness incurred for the purposes of liquidating the indebtedness of any such association existing at the time such conservator was appointed. All expenses of the association during such conservatorship shall be paid by the association.

Section 55. (1) If in the judgment of the commissioner the public interest requires it, he may apply to a court of general jurisdiction in the county in which the home office of any association is located for the appointment of a receiver. Such court is authorized to appoint a receiver if it finds that such association:

(a) Is in an impaired condition; or

(b) Is in violation of an order or injunction, as provided in Section 54 of this Act, which has become final in that the time to appeal has expired without appeal or a final order entered from which there can be no appeal. The commissioner, an examiner or other person may be appointed by the court as receiver, and a certified copy of the order of the court making such appointment shall be evidence thereof. Such receiver shall have all the powers and authority of a conservator, plus the power to liquidate, and shall have such other powers and authority as may be expressed in the order of the court. If the commissioner or an examiner is appointed receiver, he shall receive no additional compensation, but if another person is appointed, then the compensation of the receiver, as determined by the court, shall be paid from the assets of the association.

(2) If the association is an institution insured by the Federal Savings and Loan Insurance Corporation, the Federal Savings and Loan Insurance Corporation shall be tendered appointment as receiver or co-receiver. If it accepts such appointment, it may, nevertheless, make loans on the security of or purchase at public or private sale any part or all of the assets of the association of which it is receiver or co-receiver, provided such loan or purchase is approved by the court.

(3) The procedure in such receivership action shall be in all other respects in accordance with the practice in the court, including all rights of appeal and review. The directors, officers and attorneys of an association in office at the time of the initiation of any proceeding under this or the preceding section are expressly authorized to contest any such proceeding and shall be reimbursed for reasonable expenses and attorneys' fees by the association or from its assets. Any court having any such proceeding before it shall allow and order paid reasonable expenses and attorneys' fees for such directors, officers and attorneys.

Section 56. No conservator or receiver shall be appointed, or private property seized, with respect to an association which is solvent in that its assets are equal to or more than its obligations to its creditors, including the members and others, if the alleged wrongdoing can be otherwise corrected as is provided in this Act or otherwise as provided by law.

Section 57. The commissioner shall compile the reports of all associations required to be filed in his office and shall present the reports, together with such additional information concerning associations as may be of general interest, in his annual report to the governor.

Section 58. (1) No savings and loan association incorporated under the laws of another state shall establish an office, branch or agency in this state. No savings and loan association incorporated under the laws of another state shall transact any savings and loan business in this state except to lend money.

(2) This section shall not apply to any savings and loan association incorporated under the laws of another state, which association is duly authorized to transact a savings and loan business in this state on January 1, 1964.

Section 59. Every foreign association making mortgage loans in this state shall make loans in accordance with the laws of this state governing domestic associations and shall deposit with the commissioner $100,000 in cash.

Section 60. The deposit made with the commissioner shall be held as security for all claims of residents of this state against a foreign association and shall be liable for all judgments or decrees thereon. All cash deposited with the commissioner shall be immediately deposited by him with the State Treasurer, who shall be responsible for the safekeeping thereof. The Treasurer shall deliver such cash only upon written order of the Commissioner, or a court of competent jurisdiction.

Section 61. Federal savings and loan associations, incorporated pursuant to the Home Owners' Loan Act of 1933, as amended, are not foreign corporations or associations when the main office is located in this state. Unless federal laws or regulations provide otherwise, federal savings and loan associations and the members thereof shall possess all of the rights, powers, privileges, benefits, immunities and exemptions provided for associations organized under the laws of this state and for the members thereof.

Section 62. (1) Each report required of associations by this Act shall be made to the commissioner and the association making the report shall pay to the commissioner a filing fee of one dollar.

(2) Each association shall pay the following fee to the commissioner immediately upon completion of its examination.

(a) Associations having assets of twenty thousand dollars or less pay twenty dollars;

(b) Associations having assets of over twenty thousand dollars but less than fifty thousand dollars shall pay twenty-five dollars;

(c) Associations having assets of fifty thousand dollars but not over one hundred thousand dollars shall pay thirty-five dollars; and

(d) Associations having assets of more than one hundred thousand dollars shall pay thirty-five dollars for the first one hundred thousand dollars and five dollars for each additional one hundred thousand dollars or fraction thereof.

(3) No association shall be required to pay for more than one examination each year, unless such examination is necessary because of the association's failure to file reports required by this Act.

Section 63. (1) Savings and loan associations, their officers, employees or agents, savings accounts, and the sale, issuance or offering of savings accounts of any association or federal savings and loan associations are exempted from all laws of this state, other than this Act, which provide for supervision, registration or regulation in connection with the sale, issuance or offering of securities, and the sale, issuance or offering of any such accounts shall be legal without any action or approval whatsoever on the part of any official, other than the commissioner, authorized to license, regulate, or supervise the sale, issuance or offering of securities.

(2) No public officer qualified to take acknowledgments or proofs of written instruments shall be disqualified from taking the acknowledgment or proof of any instrument in writing in which an association is interested by reason of his membership in or employment by an association so interested, and any such acknowledgment or proofs heretofore taken are valid.

(3) An association and any federal savings and loan association may issue savings accounts to any married woman or minor as the sole and absolute owner of such savings account, and receive payments thereon by or for such owner, and pay withdrawals, accept pledges to the association, and act in any other manner with respect to such accounts on the order of such married woman or minor. Any payment or delivery of rights to a married woman or by a minor who holds a savings account, shall be a valid and sufficient release and discharge of such institution for any payment so made or delivery of rights to such married woman or minor. In the case of a minor, the receipt, acquittance, pledge or other action required by the institution to be taken by the minor shall be binding upon such minor with like effect as if he were of full age and legal capacity. The parent or guardian of such minor shall not in his capacity as parent or guardian have the power to attach or in any manner to transfer any savings account issued to or in the name of such minor, provided, however, that in the event of the death of such minor the receipt or acquittance of either parent or of a person standing in loco parentis to such minor shall be a valid and sufficient discharge of such institution for any sum or sums not exceeding in the aggregate $1,000 unless the minor shall have given written notice to the institution not to accept the signature of such parent or person.

(4) (a) When a savings account is opened in any association or federal savings and loan association, in the names of two or more persons, whether minor or adult, in such form that the moneys in

the account are payable to either or the survivor or survivors, then such account and all additions thereto shall be the property of such persons as joint tenants. The moneys in such account may be paid to or on the order of any one of such persons during their lifetimes, or to or on the order of any one of the survivors of them after the death of any one or more of them. The opening of the account in such form shall, in the absence of fraud or undue influence, be conclusive evidence in any action or proceeding to which either the association or the surviving party or parties is a party, of the intention of all of the parties to the account to vest title to such account and the additions hereto in such survivor or survivors. By written instructions given to the institution by all the parties to the account, the signatures of more than one of such persons during their lifetimes or of more than one of the survivors after the death of any one of them may be required on any check, receipt, or withdrawal order, in which case the institution shall pay the moneys in the amount only in accordance with such instructions, but no such instructions shall limit the right of the survivor or survivors to receive the moneys in the account.

(b) Payment of all or any of the moneys in such account as provided in paragraph (a) of this subsection shall discharge the institution from liability with respect to the moneys so paid, prior to receipt by the institution of a written notice from any one of them directing the institution not to permit withdrawals in accordance with the terms of the account or the instructions. After receipt of such notice an institution may refuse, without liability, to honor any chcek, receipt, or withdrawal order on the account pending determination of the rights of the parties. No liability shall attach to an institution paying any survivor in accordance with the terms of the account or the instructions. After receipt of such notice an institution may refuse, without liability, to honor any check, receipt, or withdrawal order on the account pending determination of the rights of the parties. No institution paying any survivor in accordance with the provisions of this subsection shall thereby be liable for any estate, inheritance or succession taxes which may be due this state.

(5) When a savings account is held in any association or federal savings and loan association by a nonresident, the account, together with additions thereto and earnings thereon, or any part thereof, may be paid to the administrator or executor appointed in the state or county where the account holder resided at the time of death, provided such administrator or executor has furnished the association with:

(a) Authenticated copies of his letters and of the order of the court which issued the letters to him authorizing him to collect, receive, and remove the personal estate, and

(b) An affidavit by the administrator or executor that to his knowledge no letters then are outstanding in this state and no petition for letters by an heir, legatee, devisee or creditor of the decedent is pending on the estate in this state, and that there are no creditors of the estate in this state. Upon payment or delivery to such representative after receipt of the affidavit and authenticated copies, the association is released and discharged to the same extent as if the payment or delivery had been made to a legally qualified resident executor or administrator, and is not required to see the application or disposition of the property.

(6) (a) Any association or federal savings and loan association may accept savings accounts in the name of any administrator, executor, custodian, guardian, trustee, or other fiduciary for a named beneficiary or beneficiaries. Any such fiduciary shall have power to vote as a member as if the membership were held absolutely, to open and to make additions to and to withdraw any such account in whole or in part.

(b) The withdrawal value of any such account, and dividends thereon, or other rights relating thereto may be paid or delivered, in whole or in part, to such fiduciary without regard to any notice to the contrary as long as such fiduciary is living. The payment or delivery to any such fiduciary or a receipt or acquittance signed by any such fiduciary to whom any such payment or any such delivery of rights is made shall be a valid and sufficient release and discharge of an institution for the payment or delivery so made.

(c) Whenever a person holding an account in a fiduciary capacity dies and no written notice of the revocation or termination of the fiduciary relationship shall have been given to an institution and the institution has no written notice of any other disposition of the beneficial estate, the withdrawal value of such account, and dividends thereon, or other rights relating thereto may, at the option of an institution, be paid or delivered, in whole or in part, to the beneficiary or beneficiaries.

(d) Whenever an account shall be opened by any person, describing himself in opening such account as trustee for another and no other or further notice of the existence and terms of a legal and valid trust than such description shall have been given in writing to such association, in the event of the death of the person so described as trustee, the withdrawal value of such account or any part thereof, together with the dividends thereon, may be paid to the person for whom the account was thus stated to have been opened, and such account and all additions thereto shall be the property of such person. The payment or delivery to any such beneficiary, beneficiaries or designated person, or a receipt or acquittance signed by any such beneficiary, beneficiaries or designated person for any such payment or delivery shall be a valid and sufficient release and discharge of an institution for the payment or delivery so made.

(7) Any association or federal savings and loan association may continue to recognize the authority of an attorney-in-fact authorized in writing to manage or to make withdrawals either in whole or in part from the savings account of a member until it receives written notice of the revocation of his authority. For the purposes of this subsection, written notice of the death or adjudication of incompetency of such member shall constitute written notice of revocation of the authority of his attorney. No such institution shall be liable for damages, penalty or tax by reason of any payment made pursuant to this subsection.

(8) (a) Administrators, executors, custodians, guardians, trustees, and other fiduciaries, insurance companies, business and manufacturing companies, banks, credit unions and all other types of financial institutions, charitable, educational, elemosynary and public corporations and organizations, and municipalities and other public corporations and bodies, and public officials may invest funds held by them, in savings accounts of savings associations which are under state supervision, and in accounts of federal savings and loan associations organized under the laws of the United States and under federal supervision, and such investment shall be legal investments for such funds. With respect to investment by custodians, savings associations are deemed to be "banks" within the meaning of that term as used in the Uniform Gifts to Minors Act of this state.

(b) If, under the laws of this state or otherwise, a deposit of securities is required for any purpose, the savings accounts and accounts made legal investment by this section shall be acceptable for such deposits, and if a bond is required with security such bond may be furnished, and the savings accounts and accounts made legal invesements by this section in the amount of such bond, when deposited therewith, shall be acceptable as security without other security.

(c) The provisions of this section are supplemental to any other laws relating to and declaring what shall be legal investments for the persons, fiduciaries, corporations, organizations and officials referred to in this section, and to the laws relating to the deposit of securities and the making and filing of bonds for any purpose.

(9) Nothing in this Act or the statute law of the state shall be construed as denying to an association the right to invest its funds, operate a business, manage or deal in property, or take any other action over whatever period of time may reasonably be necessary to avoid loss on a loan or investment theretofore made or an obligation created in good faith.

(10) Whoever willfully and knowingly makes, issues, circulates, transmits or causes or knowingly permits to be made, issued, circulated or transmitted, any statement of rumor, written, printed reproduced in any manner, or by word of mouth, which is untrue in fact and is

directly or by inference false, malicious in that it is calculated to injure reputation or business, or derogatory to the reputation, financial condition or standing of any association, federal savings and loan association, Federal Home Loan Bank, the Federal Home Loan Bank Board, or the Federal Savings and Loan Insurance Corporation, shall be fined not more than $1,000 or imprisoned for not more than one year, or both.

Section 64. If a controversy arises between the commissioner and an association with respect to any question of law or regulation or with respect to any question involving immeasurable or irreparable damage to the association, prior to an administrative or judicial hearing, the association or the Commissioner may apply to any court of competent jurisdiction of the county in which the home office of the association is located for a declaratory judgment as to such question, and such court shall decide the controversy on its merits in accordance with the weight of the evidence, and such court shall have full power to enforce its orders.

Section 65. (1) Any person who violates any provision of subsection (2) of Section 5 of this Act shall be fined not more than $5,000, and each day of violation shall constitute a separate offense.

(2) Any person guilty of conduct for which civil liability is provided for by subsection (1) of Section 12 of this Act shall be punished in the manner prescribed for stealing property of the same value as the property so used, disposed of, assigned, transferred or canceled.

(3) Every association, officer, agent or manager that fails to make the report required by Section 51 of this Act, and to furnish any information called for by the Commissioner under oath and attestation of its officers shall be severally fined not less than one hundred dollars.

(4) The president and secretary of any association that fails to make and file any report required by this Act within thirty days after it is due, shall be fined not more than one hundred dollars.

(5) Any examiner who violates subsection (3) of Section 52 of this Act shall be fined not less than one hundred dollars nor more than five hundred dollars.

(6) Any examiner in the Department of Banking who knows of the insolvency or unsafe condition of any association, or knows that it is inexpedient to permit an association to continue business, and who neglects to immediately present a signed report of such fact to the Commissioner, or who illegally discloses any information obtained by him by virtue of his office, or who violates any of the pro-

visions of this Act or fails to perform any duty imposed upon him provided in subsection (5), shall be fined not less than one hundred dollars nor more than two thousand dollars for each offense.

(7) Any commissioner who knows of the insolvency or unsafe condition of any association or knows that it is inexpedient to permit an association to continue business, and who willfully fails to take the action provided in this chapter, or who illegally discloses any information obtained by him by virtue of his office, or violates any of the provisions of this Act, or fails to perform any duty imposed upon him by this Act, shall forfeit his office and be fined not less than five hundred dollars nor more than five thousand dollars for each offense.

(8) Except as provided in subsection (3), any association which knowingly fails to make any report required by law or by the Commissioner within the specified time, or to include any matter required, or to pay the fees for filing reports or for examinations when due, shall be fined twenty-five dollars for each day of delinquency. The aggregate penalty for each offense shall not exceed two hundred and fifty dollars.

(9) Every person or association that willfully makes or transmits a false report, or transmits a false report, or refuses to submit its books, papers or assets for examination, or any officer of an association who refuses to be examined under oath concerning the affairs of the association, shall severally be fined not less than one hundred dollars nor more than five hundred dollars.

(10) Whenever any penalty imposed by this section is not paid, the Attorney General shall institute an action, in the name of the state, in the Franklin circuit court or the circuit court of the county in which the offense was committed, for the recovery of the penalty.

Section 66. The name, rights, powers, privileges, and immunities of every such corporation heretofore incorporated in this state shall be governed, controlled, construed, extended, limited, and determined by the provisions of this Act to the same extent and effect as if such corporation had been incorporated pursuant hereto, and the articles of association, certificate of incorporation, or charter, however entitled, by laws and constitution, or other rules of every such corporation heretofore made or existing are hereby modified, altered, and amended to conform to the provisions of this Act.

(2) All obligations to any such corporation heretofore contracted shall be enforceable by it and in its name, and demands, claims, and rights of action against any such corporation may be enforced against it as fully and completely as they might have been enforced heretofore.

(3) Insofar as the provisions of this Act are inconsistent with the

provisions of any other law affecting savings associations the provisions of this Act shall control.

(4) If any provision, clause, or phrase of this Act or the application thereof to any person or circumstance is held invalid such invalidity shall not affect other provisions or applications of this Act which can be given effect without the invalid provisions or application, and to this end the provisions of this Act are declared to be separable.

Section 67. Sections 289.010, 289.020, 289.030, 289.040, 289.050, 289.060, 289.070, 289.080, 289.90, 289.100, 289.110, 289.120, 289.130, 289.140, 289.150, 289.160, 289.170, 289.180, 289.185, 289.186, 289.190, 289.200, 289.210, 289.220, 289.230, 289.240, 289.250, 289.260, 289.270, 289.280, 289.290, 289.300, 289.310, 289.320, 289.330, 289.340, 289.350, 289.360, 289.370, 289.380, 289.390, 289.400, 289.410, 289.420, 289.425, 289.426, 289.480, 289.490, 289.500, 289.510, 289.525, 289.530, 289.540, 289.550, 289.560, 289.570, 289.580, 289.590, 289.600, 289.610, 289.620, 289.630, 289.640, 289.650, 289.660, 289.670 and 289.990 of the Kentucky Revised Statutes are repealed.

SB 148, AN ACT changing the classification of the City of Shively, in Jefferson County.

WHEREAS, satisfactory information has been presented to the General Assembly that the population of the City of Shively, in Jefferson County, is such as to justify its being classified as a city of the third class,

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. The City of Shively, in Jefferson County, is transferred from the fourth to the third class of cities.

SB 243, AN ACT relating to city and county electrical inspectors.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 227.450 is amended to read:

As used in KRS 227.450 to 227.500 unless the context otherwise requires:

(1) "Electrical contractor" means any individual, partnership or corporation that engages in the business of or employs others for the construction, alteration or repair of any electrical wiring used for the purpose of furnishing heat, light or power;

(2) "Electrician" means any person who is employed by an electrical contractor and is engaged in the construction, alteration or repair of any electrical wiring used for the purpose of furnishing heat, light or power;

(3) "Electrical" pertains to the installation of wires and conduits for the purpose of transmitting electricity, and the installation of fixtures and equipment in connection therewith.

(4) "Electrical inspector" means any person employed by a city or county and engaged in the inspection of wiring used for the purpose of furnishing heat, light, or power.

Section 2. (1) The Commissioner of Public Safety shall require electrical inspectors to be certified by a Board of Examiners appointed by him. The board shall be composed of five members; one registered electrical engineer with five years experience as an inspector of light and power wiring, one electrical engineer with the Kentucky Inspection Bureau, one registered electrical engineer with five years experience in the design of wiring systems, one licensed electrical contractor engaged in the installation of light and power wiring, and one public utility company representative.

(2) The members of the board shall establish qualification requirements for electrical inspectors, and schedule examinations at regular intervals. Examinations shall be based on the National Electrical Code incorporated in Article 11 of the Standards of Safety prescribed by the Department of Public Safety.

(3) The members of the Board of Examiners shall serve without salary, and shall receive their actual necessary expenses incurred while in the performance of their duties as members of the board, to be paid in the same manner as in the case of other state officers.

Section 3. Electrical inspectors who have been engaged in the inspection of electrical light and power wiring installations, based on the requirements of the National Electrical Code, for a period of five years, may be certified on the basis of knowledge of the subject and experience.

SB 227, AN ACT relating to free textbooks for children.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 157.190 is amended to read:

(1) The Superintendent of Public Instruction, subject to the approval of the State Board of Education, shall provide basally adopted textbooks without cost to all children between the ages of six and eighteen who are confined in any state correctional institution

or enrolled in any school for the mentally retarded and emotionally disturbed in this state and who are [regularly enrolled] in classes of elementary grades. The textbooks shall be provided upon requisitions made by the person or persons in charge of the correctional institution [.] *or school for the mentally retarded and emotionally disturbed.*

(2) The Superintendent of Public Instruction may have an investigation made, at any time, to determine the need for the number and kinds of books requisitioned and to determine if the books are being properly taken care of. If he finds anything that is improper about the requisitioning and use of such books he shall report it to the State Board of Education.

(3) The books provided pursuant to this section shall be paid for out of the appropriations for the purchase of free textbooks for pupils attending free public schools.

SB 238, AN ACT relating to the issuance of checks for salaries and changes in the payroll system.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 45.340 of the Kentucky Revised Statutes is amended to read as follows:

Except where otherwise provided by law, checks for salaries due to public officers and employes shall be issued weekly, semi-monthly, monthly or for such other period of time not exceeding thirty days which may be designated by the Department of Finance with the approval of the Governor. Checks shall be tendered to an officer or employe only after he has completed the work for which he is being paid and not later than fifteen days after the designated pay period. *The Department of Finance is authorized to effect such changes in the payroll system at any time as are necessary to pay salaries after work has been performed. The department is further authorized to make such changes as are necessary and desirable in the posting of payroll expenditures and any other accounting and reporting procedures. In connection with such changes in accounting and reporting procedures, KRS 45.231 shall not be construed to prevent the issuance of salary checks for services rendered during a preceding fiscal year.*

HB 38, AN ACT relating to the licensing of motor vehicles and operators.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 186.414 is amended to read:

Applications for renewal licenses shall be according to the following schedule:

(1) Persons whose family names begin with the letters "A" through "K" inclusive, shall before August 1, 1958, apply at the office of the circuit court clerk in the county in which he resides, and make application upon a form furnished by the department for a renewal license, which will expire on his birth month in the year 1960, and shall be renewed every two years during the applicant's birth month thereafter.

(2) Persons whose family names begin with the letters "L" through "Z" inclusive shall, before August 1, 1959, apply at the office of the circuit court clerk in the county in which he resides, and make application upon a form furnished by the department for a renewal license, which will expire on his birth month in the year 1961, and shall be renewed every two years during the applicant's birth month thereafter.

(3) Any person who is a resident of this state and who has obtained an operator's license in the manner provided for in this chapter, which has not been cancelled, suspended or revoked for any reason provided for in this chapter, and who is in the active service of the armed forces of the United States shall, upon written application to the circuit court clerk of the county in which he resides, be granted an extension of his operator's license beyond the periods set forth in subsections (1) and (2) of this section. Upon application the circuit court clerk shall issue to the applicant a written certification of operator's license extension. The extension so granted shall be effective so long as the applicant is an active member of the armed forces or six years from the date of the application whichever is less.

SB 235, AN ACT relating to the annexation or reduction of territory in fourth class cities.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 81.210 is amended to read:

Whenever a fourth-class city desires to annex any territory or to reduce the boundaries of the city, the city legislative body shall, by ordinance, accurately define the boundary of the territory proposed to be annexed or stricken off. The ordinance shall be published *pursuant to KRS Chapter 424* [for not less than three weeks in a newspaper published in the city or county. If there is no newspaper published in the city or county, the ordinance shall be advertised by handbills posted for at least fifteen days at four or more public places in the city, and at the same number of the most public places within the territory proposed to be annexed or stricken off.] Within thirty days after the adoption, publication and advertisement of the ordinance, a petition shall be filed in the circuit court of the county within which the city is situated, in the name and on behalf of the city, setting forth the passage, publication and advertisement of the ordinance and its object and purposes, together with an accurate description by metes and bounds of the territory proposed to be annexed or stricken from the city, and praying for a judgment to annex the territory or strike it from the city. *The petition shall also state facts showing that the annexation is reasonable and necessary to the proper development of the city and the ability of the city to furnish normal municipal services of the city to the unincorporated area within a reasonable time after the annexation is to become effective.* The petition shall be filed not less than twenty days before the first day of the next succeeding term of the circuit court in that county. Notice of the filing of the petition shall be given in the same manner as notice of passage of the ordinance. The circuit court shall not have jurisdiction of the proceedings unless the required publication or advertisement of the ordinance contains notice of the proposed proceedings in the court. If no defense is made at the first term of the court after the filing of the petition and notice and the court *finds that the facts stated in the petition are true and* makes no order for granting future time for making defense, the court shall render judgment annexing or striking off the proposed territory.

Section 2. KRS 81.220 is amended to read:

(1) At the first term of the circuit court, or within the time fixed by the court by its order, any one or more of the resident voters of the territory proposed to be annexed or stricken off may file a defense in the proceeding, setting forth the reasons why the territory or any part of it should not be annexed to the city, or why the limits of the city should not be reduced. The case shall be tried by the court without the intervention of a jury. If the court, upon hearing, is satisfied that less than a majority of the resident voters of the territory sought to be annexed or stricken off have remonstrated against the proposed extension or reduction, and that the proposed extension or reduction, of the limits of the city will be for the interest of the city and will cause no material injury to the owners of real estate in the limits of the proposed extension or reduction[,] *and that the city has ability to furnish normal municipal services of the city to the unincorporated area within a reasonable time after the annexation is to become effective,* the proposed extension or reduction shall be decreed. If the court finds that a majority of the resident voters in the territory to be affected, or the owners of the property if there are no resident voters, have remonstrated against the change, and that the change

will cause material injury to the owners of real estate in the limits of the proposed extension or reduction[,] *or that the city does not have the ability to furnish normal municipal services of the city to the unincorporated area within a reasonable time after the annexation is to become effective,* the extension or reduction shall be denied. Costs shall follow the judgment. An appeal shall lie from the judgment as in other cases.

(2) If the judgment is in favor of the city, the clerk of the court shall certify the judgment to the city legislative body, which shall enter the judgment on its records and shall thereupon, by ordinance, annex to or strike from the city the territory described in the judgment.

SB 226, AN ACT relating to the National Guard.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 38.235 is amended to read:

The Department of Military Affairs shall [have the power to] accept the provisions of KRS Chapter 342 for the benefit of members of the Kentucky National Guard while such members are on active state service. *Notwithstanding KRS Chapter 342, the Department of Military Affairs may purchase additional and extended workmen's compensation insurance as provided in this Act. Medical treatment provided under this Act is not subject to the twenty-five hundred dollar limitation in KRS 342.020. Notwithstanding KRS 342.070, in the case of death, compensation shall continue at sixty-five percent of the average weekly earnings of the deceased employe, without a maximum limitation on the weekly benefit or total amount paid, during the period of dependency as defined in KRS 342.075 to 342.085. Notwithstanding KRS 342.095, in the case of permanent and total disability, compensation shall continue at sixty-five percent of the average weekly earnings of the employe, without maximum limitation on the weekly benefit or total amount paid, during the period of permanent and total disability. For the purposes of all workmen's compensation payments under this Act, "average weekly earnings" shall be based on the civilian or military rate of pay, whichever is higher.*

Section 2. In the event of death of or injury to a member of the National Guard while in active state service, the Adjutant General shall appoint a board of three officers to conduct a line-of-duty investigation. The findings and report of the board, when approved by the Adjutant General, shall be final and conclusive as to the line-of-duty status of the employe.

Section 3. The department may, in lieu of procuring additional extended insurance coverage, elect to avail itself of the provisions of KRS 342.340 relating to the direct payment of benefits, for the purpose of paying the additional extended benefits provided under sections 1 and 2 of this Act.

Section 4. KRS 38.240 is amended to read:

[(1) Any member of The National Guard who is incapacitated from pursuing his usual business or occupation by reason of any injury received or disease contracted when on duty or assembled therefor under lawful authority, which injury or disease directly results from such service, shall be entitled to receive the pay provided by KRS 38.200 and actual necessary expenses for care, hospitalization and medical attendance during the period of such incapacity. Where a claim is made under this section, the Adjutant General shall, from time to time, designate medical officers to examine the claimant, and may direct the claimant to be removed to and treated in a designated hospital. If the claimant refuses to permit the examination, or to go to the hospital or to follow the advice given or treatment prescribed for him therein, he shall forfeit his right to any claim, pay or allowance under this section.

(2) If the death of any member of the National Guard results from an injury received or disease contracted when on duty or assembled therefor under lawful authority, the state shall pay his funeral expenses, but not to exceed five hundred dollars.

(3) The body of an officer or enlisted man who dies while in active state service, shall, under the direction of his commanding officer and at the expense of the state, be promptly prepared for burial, enclosed in a suitable casket, and returned to his late residence under a proper escort; but the cost to the state of the casket and preparing the body for burial shall not exceed the sum of five hundred dollars.

(4)] If any member of the National Guard, when on duty or assembled therefor under lawful authority, does any act in the discharge of his duty that causes him to be proceeded against by civil court action, the Attorney General shall represent him in the civil proceedings. If, under the same conditions, a member of the National Guard is proceeded against in a criminal action, the Adjutant General may, with the approval of the Governor, appoint legal counsel to represent him in the criminal proceedings. The compensation paid the legal counsel shall be fixed by the Adjutant General, with the written approval of the Governor.

[(5) All disbursements under this section shall, upon proper certification be paid from the appropriation for the Department of Military Affairs.]

SB 96, AN ACT relating to actions against the Commonwealth of Kentucky arising out of its contracts.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of the Kentucky Revised Statutes is created to read as follows:

It is declared to be the public policy of this Commonwealth that when the Commonwealth or any department or agency of the Commonwealth enters into or becomes a party to a lawfully authorized contract with any person, firm or corporation, the Commonwealth thereby divests itself of the attributes of a sovereignty and invests itself with the attributes of a private person with respect to its contractual relationship and in regard to matters arising under such contracts; and insofar as the obligations created by such contracts are mutual obligations between the contracting parties, mutual remedies to enforce such obligations shall be made available to the contracting parties.

Section 2. A new section of the Kentucky Revised Statutes is created to read as follows:

In the event any person, firm or corporation who or which has entered into a contract with the Commonwealth of Kentucky, or any of its departments or agencies, claims a breach of said contract or makes a claim under said contract which is disputed, said person, firm or corporation may bring an action against the Commonwealth in the Franklin Circuit Court for the purpose of determining the issues joined. Any such action shall be tried by the Court without a jury. All legal defenses except that of governmental immunity shall be reserved to the Commonwealth. If recovery is had by suit or compromise the amount so adjudged or compromised shall, upon warrant drawn by the Commissioner of Finance on the State Treasurer, be paid out of such funds of the Commonwealth as are then available or shall become available.

Section 3. A new section of the Kentucky Revised Statutes is created to read as follows:

Any cause of action hereunder shall be commenced within five years after the cause of action first accrues; provided, however, any cause of action growing or arising out of a contract entered into not more than five years prior to the effective date of this act, if not pending at such effective date, shall be commenced within one year thereafter.

HB 208, AN ACT relating to the Kentucky National Guard.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) Registration plates bearing the words "Kentucky National Guard" may be displayed only on motor vehicles primarily designed to carry passengers registered in the names of members of the Kentucky Army National Guard or Kentucky Air National Guard.

(2) The issuance of such registration plates shall be in lieu of the plates normally issued for display on such motor vehicles.

(3) The county clerk shall issue plates to those persons who present proof of membership in the Kentucky Army National Guard or Kentucky Air National Guard. The Adjutant General shall prescribe the forms to be used in presenting such proof.

(4) The clerk shall receive the sum of one dollar in addition to the normal license fee which shall be turned over to the Department of Revenue to cover the cost of the distinctive registration plate.

Section 2. A new section of the Kentucky Revised Statutes is created to read as follows:

Any owner of a motor vehicle bearing a registration plate with the words "Kentucky National Guard" who sells, trades, exchanges or otherwise disposes of such vehicle shall retain such registration plate and return it to the county clerk. The registration plate normally issued for such vehicle shall be displayed thereon prior to such sale, trade or exchange.

Section 3. Section 186.240 of the Kentucky Revised Statutes is amended to read as follows:

It shall be the duty of the department to carry out the provisions of KRS 186.020 to 186.260 and in so doing shall:

(1) Prepare and furnish to the clerk in each county a sufficient supply of all forms and blanks provided for in KRS 186.020 to 186.260, provided that the forms for receipts shall be designated for the writing of not less than triplicate copies, the originals of which shall be numbered consecutively for each county; the second and third copies bearing the same number as the original; and the colors of all copies shall be different and the combination of colors shall not be the same for consecutive years. Receipts to be used as duplicates for lost receipts, as provided in KRS 186.180 (1), shall be in duplicate only, and shall not be numbered.

(2) Keep a numerical record of all registration numbers issued in the state, for which they may use the second copy of receipts forwarded by the clerk of each county, and also keep a record of motor or vehicle identification numbers required by KRS 186.160.

(3) Furnish to each clerk, originally each year upon estimate, and thereafter upon requisition at all times a sufficient supply of plates and other insignia evidencing registration for all classes of vehicles required to be registered. The department shall prescribe a plate of practical form and size for police identification purposes which shall contain only the registration number, the word "Kentucky" or the abbreviation thereof, "Ky." and the name of the county in which the plate is issued or in lieu thereof the words "Official," "Highway," "Executive," "Farm," or in the case of plates for commercial vehicles, such words or information as the Department of Motor Transportation may by regulation provide and the year for which the license is issued if the year is not evidenced as otherwise provided in this chapter; provided, however, no numerals indicating any year shall be placed upon any license plate issued under and in accordance with the provisions of KRS 186.060, relating to the licensing of vehicles owned exclusively by the state. A state slogan may be placed upon such plate if so desired.

(4) Furnish to each clerk each year, based upon the estimate furnished by the Adjutant General to the department and thereafter upon requisition, at all times a sufficient supply of plates of such color and design as may be agreed upon by the Adjutant General and the Commissioner, Department of Revenue which shall bear the words "Kentucky National Guard." Such plates need not carry the county of issuance.

(5) [(4)] Annually estimate the quantity of plates, insignia, and other forms necessary for the succeeding year for each county in the state and said estimated quantity shall be delivered to the clerk in each county not later than December 1.

(6) [(5)] The Department of Revenue shall receive all moneys forwarded by the clerk in each county and turn same over to the State Treasurer for the benefit of the State Road Fund. Out of this fund there shall be appropriated to the Department of Revenue and the Department of Motor Transportation an amount to be expended in the manner provided by law for the administration of their functions with regard to KRS 186.020 to 186.260.

(7) [(6)] The Department of Revenue shall require an accounting by the clerk in each county for any moneys received by him under the provisions of this chapter, after the deduction of his fees under this chapter, and for all receipts, forms, plates and insignia consigned to him.

(8) [(7)] When applied for under KRS 186.160, motor or vehicle numbers assigned shall be distinctive to show that they were designated by the department.

HB 324, AN ACT relating to marriage.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 402.080 is amended to read:

(1) No marriage shall be solemnized without a license therefor. The license shall be issued by the clerk of the county in which the female resides at the time *if she is a resident of the state,* unless the female is of full age or a widow, and the license is issued on her application in person or by writing signed by her, in which case it may be issued by any county clerk. *If the female is a non-resident of the state the license may be issued by the Clerk of any County.*

(2) No county clerk shall issue a marriage license until the application for a marriage license remains on file, open to the public, in the office of the county court clerk, for three days before license is issued.

Section 2. KRS 402.210 is amended to read:

If either of the parties is under eighteen years of age and not before married, no license shall issue without the consent of his or her father or guardian, or if there is none or he is absent from the state, without the consent of his or her mother, personally given or *in writing* certified [in writing] to the clerk *under written oath attested by any officer who would be authorized to attest oaths in this state* over the signature of the father, guardian or mother, [attested by two subscribing witnesses and proved by the oath of one of the witnesses, administered by the clerk]. If the parties are personally unknown to the clerk, a license shall not issue until bond, with good surety, in the penalty of one hundred dollars is given to the Commonwealth, with condition that there is no lawful cause to obstruct the marriage.

Said Committee Amendment to **HB 324** is as follows:

Amend printed copy of House bill 324 on page 1, lines 3-9, by:

Striking out all of said lines and inserting in lieu thereof the following:

"therefor. The license shall be issued by the clerk of any county court."

SB 210, AN ACT relating to the Statutes of Limitations governing the bringing of certain types of actions for wrongful death, personal injuries or damage to real or personal property, and creating a new section of Kentucky Revised Statutes, Chapter 413.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

There is hereby created a new section of Kentucky Revised Statutes, Chapter 413, which section shall be numbered and codified as KRS 413.115, and which new section shall read as follows:

(1) No action to recover damages, whether based upon contract or sounding in tort, resulting from or arising out of any deficiency in the design, planning, supervision, inspection or construction of any improvement to real property, or for any injury to property, either real or personal, arising out of such deficiency, or for injury to the person or for wrongful death arising out of any such deficiency, shall be brought against any person performing or furnishing the design, planning, supervision, inspection or construction of any such improvement after the expiration of five years following the substantial completion of such improvement.

(2) Notwithstanding the provisions of subsection (1) of this section, in the case of such an injury to property or the person or wrongful death resulting from such injury, which injury occurred during the fifth year following substantial completion of such improvement, an action to recover damages for such injury or wrongful death may be brought within one year from the date upon which such injury occurred (irrespective of the date of death), but in no event may such an action be brought more than six years after the substantial completion of construction of such improvement.

(3) Nothing in this section shall be construed as extending the period prescribed by statute for the bringing of any action for damages.

(4) The limitation prescribed by this section shall not be asserted as a defense by any person in actual possession or having the control, if owner, tenant or otherwise, of such an improvement at the time any defect in such improvement constitutes the proximate cause of injury to person or death or injury to property which may constitute the subject of an action.

(5) As used in this section, the term "person" shall mean an individual, corporation, partnership, business trust, unincorporated association or joint stock company.

SB 223, AN ACT proposing an amendment to Section 226 of the Constitution of Kentucky relating to lotteries and gift enterprises.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 226 of the Constitution of the Commonwealth of Kentucky is hereby amended to read as follows:

(1) Lotteries and gift enterprises are forbidden, and no privileges shall be granted for such purposes, and none shall be exercised, and no schemes for similar purposes shall be allowed; [.] *provided,*

however, that where the profits received from the participation in a lottery are to be devoted solely to charitable, civic, educational, fraternal or religious purposes, lotteries shall be permitted, subject to the requirements set forth in subsection (2) herein. [The General Assembly shall enforce this section by proper penalties. All lottery privileges or charters heretofore granted are revoked.]

(2) The General Assembly shall, by general law, provide a means whereby the sense of the people of any county, city or town may be taken as to whether or not lotteries for charitable, civic, educational, fraternal, or religious purposes shall be held or the holding thereof regulated. The General Assembly shall, by general law, prescribe for the regulation and control of lotteries in towns, counties or cities where such are authorized, pursuant to this section. All elections on this question may be held on a day other than regular election days.

Section 2. This amendment shall be submitted to the voters of the Commonwealth for their ratification or rejection at the time and in the manner provided for under Sections 256 and 257 of the Constitution and under Sections 118.170 and 118.430 of the Kentucky Revised Statutes.

HB 140, AN ACT relating to credit unions.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 290.110 of the Kentucky Revised Statutes is amended to read as follows:

(1) The fiscal year of every credit union shall end at the close of business on December 31. The annual meeting of the corporation shall be held *prior to June 30 in each year* [in January]. Special meetings may be held by order of the directors or of the supervisory committee, and shall be held upon request in writing of ten percent of the members. Notice of all meetings of the corporation shall be given in the manner prescribed in the bylaws.

(2) At all meetings of members a member shall have but one vote, irrespective of the number of shares held. No shareholder may vote by proxy but a society, association, partnership or corporation having membership in the corporation, may be represented by one person authorized to so represent it.

(3) At any meeting the members may decide upon any question of interest to the corporation and may overrule the board of directors. [If the notice of the meeting shall have specified the question to be considered, the corporation may, by a three-fourths vote of the members present and represented, vote to amend the bylaws.]

Section 2. The preamble and subsection (1) of KRS 290.030 is amended to read as follows:

At the time of filing the articles of incorporation with the director of banking the incorporators shall submit, in duplicate, a set of bylaws, with acknowledgment of their adoption by the incorporators which shall provide:

(1) The date of the annual meeting; [which shall be in January of each year;] the manner in which members shall be notified of meetings; the manner of conducting meetings; the number of members constituting a quorum with regulations as to voting.

HB 210, AN ACT relating to the Department of Libraries.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 171.203 is amended to read:

Any funds appropriated for the purposes of KRS 171.201 to 171.205 shall be expended for aiding in the establishment, extension and development of local public library facilities [(exclusive of library buildings, equipment and furniture)] through the purchase of books, *equipment or library buildings,* or bookmobiles, through technical assistance, educational and promotional programs, and such other methods and services as will best accomplish the purpose. Funds in the Public Library Service Fund shall be paid out by the State Treasurer on warrants drawn by the Commissioner of Finance on order of the State Librarian.

Section 2. KRS 171.204 is amended to read:

To the extent of funds available, grants shall be made to counties applying for state aid, *based upon population and areas needed to be served and according to formulas provided for in the Federal Library Service Act. The Department of Libraries may provide partial grants or loans for constructing county or district library buildings and may accept federal funds to be used for this purpose.* [in the order in which they meet the requirements established by the State Librarian. Grants-in-aid thus provided shall not exceed $5,000 to any county. Each county receiving a state grant shall expend from local funds, for countywide public library service during the years for which aid is received a sum equal to at least five percent of the amount received from state funds; the ratio of matching to be based on local financial ability as determined by the assessed valuation of the county.]

Section 3. KRS 173.360 is amended to read:

(1) After the legislative body of a governmental unit has made provisions for library service according to any of the methods set

forth in KRS 173.310, the legislative body shall appropriate money annually to furnish such service. In library regions it shall not be less than three cents, nor more than ten cents on each one hundred dollars worth of property assessed for local taxation. In counties containing a city of the first class it shall be not more than fifteen cents on each one hundred dollars worth of property assessed for local taxation. In all other governmental units it shall be not less than five cents nor more than fifteen cents on each one hundred dollars worth of property assessed for local taxation. *In those instances where county library service has been established on the initiative of the Fiscal Court and when an appropriation of less than the minimum amount required by this subsection is proposed, the minimum amount of support for county library service may be determined annually through a mutual agreement of the county library board, the county fiscal court, and the State Department of Libraries. This agreement shall be reflected in the records of the legislative body of the governmental unit making the appropriation.* [It may be a special levy if the constitutional limit has not already been levied or this amount included in the general levy.]

(2) All funds for the library shall be deposited monthly to the credit of the library board. These funds shall not be used for any but library purposes. The treasurer of the library board shall be required to execute bond with good and sufficient surety thereon for the faithful performance of his duties, the amount of the bond to be fixed by the board. If the bond has a corporate surety the premium shall be paid from the library fund. The board shall have exclusive control of expenditures, subject to an examination of accounts as may be required by the legislative body, and money shall be paid only upon vouchers approved by the board. The board shall not make expenditures or incur indebtedness in any year in excess of the amount of money appropriated and available for library purposes, except where a library board is the owner of real estate not used for library purposes, in which case they may borrow money secured solely by that property. Principal and interest on indebtedness on real estate owned by a library board not used for library purposes is not chargeable to the library funds derived from taxation.

Section 4. KRS 173.470 is amended to read:

Districts shall be organized in the following manner:

(1) Upon the filing of a duly certified petition of one hundred or more duly qualified voters in each county to be included within the territorial limits of the proposed district, the fiscal court of each county in the proposed district shall adopt a resolution submitting to the qualified voters of the county the question as to whether a public library district should be established for the area and a special ad valorem tax imposed for the maintenance and operation of the district,

not to exceed twenty cents on each one hundred dollars of the assessed valuation of all property in the district. A certified copy of the order of the fiscal court shall be filed with the county court clerk at least sixty days prior to the next regular election and thereupon the clerk shall cause the question to be placed upon the ballot.

(2) The question shall be in *substantially* the following form: "Are you in favor of establishing a public library district for (insert names of [county or] counties) which shall have the authority to impose a special ad valorem tax of (*insert exact amount*) [----------] on each one hundred dollars *worth of property assessed for local taxation* [of the assessed valuation of all property] in the district for the maintenance and operation of the (insert name) public library district?"

(3) If a majority of those voting in each county on the question favor the establishment of a public library district it shall be so established and shall constitute and be a taxing district within the meaning of Section 157 of the Constitution of Kentucky.

(4) All special ad volorem taxes authorized by KRS 173.450 to 173.650 shall be collected in the same manner as are other county ad valorem taxes in each county affected and shall be turned over to the board as the governing body of the district. The special ad valorem tax shall be in addition to all other ad valorem taxes.

Calendar

HB 46, SB 211, SB 165, SR 38, SB 229, SB 234, SB 207, SB 232, SB 233, SB 230, SB 196, SB 197, SB 199, SB 201, HB 312, SB 152, SB 215, SB 225, HB 237, SR 32, SB 231 taken from the Calendar and ordered read at length for the second time. Senator Gardner moved that they be read by title only. Agreed by a majority of members elected. Ordered placed in the Orders of the Day.

Report on Enrolled Bills

Committee on Enrollment reported that **SB 109, SB 56, HB 48, HB 100, HB 132, HB 176, HB 207** had been examined and found correctly enrolled. **SB 109, SB 56, HB 48, HB 100, HB 132, HB 176, HB 207** read at length, compared, and signed in open session by the President. Ordered delivered to the House.

SB 109, SB 16, SB 56 delivered, signed by Speaker. Ordered delivered to the Governor.

Orders of the Day

SB 142 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Nichols moved the Previous Question on **SB 142.** Agreed.

On the roll call the vote was yeas 27—Billington, Blue, Brand, Brizendine, Buckman, Cobb, Derickson, Duffy, Edwards, Engle, Gardner, Garrett, Gay, Howard, D. Johnson, F. Johnson, Kelly, Kinkead, Kiser, McCann, McGinty, Miller, Nichols, Palmer, Raybourne, Swope, Turner, Ware. Nays 8—Fuqua, Layne, Mann, McGinty, Mobley, Newberry, Spence, Van Hoose.

SB 142 was passed and the title agreed to.

Senator Nichols moved that the vote by which **SB 142** was passed be reconsidered and that said motion be laid on the table. Agreed.

House Message

Announcing passage of **HR 89, HR 94, HR 95, HR 96.**

SB 146 taken from Orders of the Day with Committee Amendment attached thereto and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Kinkead moved the adoption of the Committee Amendment to **SB 146.** Agreed.

Senator Kinkead moved the Previous Question on **SB 146,** as amended. Agreed.

On the roll call the vote was yeas 31—Billington, Blue, Brand, Brizendine, Buckman, Cobb, Derickson, Duffy, Edwards, Engle, Fuqua, Gardner, Gay, Howard, D. Johnson, F. Johnson, Kelly, Kinkead, Kiser, Layne, McCann, McGinty, Miller, Mobley, Newberry, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose. Nays 1—Nichols.

SB 146, as amended, was passed and the title agreed to.

Senator Kinkead moved that the vote by which **SB 146,** as amended, was passed be reconsidered and that said motion be laid on the table. Agreed.

HB 285 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 285.** Agreed.

On the roll call the vote was yeas 31—Billington, Blue, Brand, Brizendine, Buckman, Cobb, Derickson, Duffy, Edwards, Engle, Fuqua, Gardner, Gay, D. Johnson, F. Johnson, Kelly, Kiser, Layne, McCann, McGinty, Miller, Mobley, Newberry Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 1—Howard.

HB 285 was passed and the title agreed to.

Senator Ware moved that the vote by which **HB 285** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 161 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Miller moved the Previous Question on **SB 161.** Agreed.

On the roll call the vote was yeas 32—Billington, Blue, Brand, Buckman, Cobb, Derickson, Duffy, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, Howard, D. Johnson, F. Johnson, Kelly, Kinkead, Kiser, Layne, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Van Hoose, Ware. Nays 0.

SB 161 was passed and the title agreed to.

Senator Miller moved that the vote by which **SB 161** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 108 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Duffy offered Amendment #1 to **SB 108** and moved its adoption. Agreed.

Said Amendment #1 to **SB 108** is as follows:

Amend printed copy of Senate Bill 108 on page 3, line 2, by:

Deleting the word "three" and inserting in lieu thereof the word "one".

Senator Duffy moved the Previous Question on **SB 108,** as amended. Agreed.

On the roll call the vote was yeas 29—Billington, Buckman, Cobb, Derickson, Duffy, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, Howard, D. Johnson, F. Johnson, Kelly, Kinkead, Kiser, Layne, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Van Hoose, Ware. Nays 0.

SB 108, as amended, was passed and the title agreed to.

Senator Duffy moved that the vote by which **SB 108,** as amended, was passed be reconsidered and that said motion be laid on the table, Agreed.

SB 214 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator McGinty moved the Previous Question on **SB 214.** Agreed.

On the roll call the vote was yeas 30—Billington, Blue, Brizendine, Cobb, Derickson, Duffy, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, Howard, D. Johnson, F. Johnson, Kelly, Kiser, Layne, Mann, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Ware. Nays 0.

SB 214 was passed and the title agreed to.

Senator McGinty moved that the vote by which **SB 214** was passed be reconsidered and that said motion be laid on the table. Agreed.

Senator Gardner moved that **SB 203** be passed and that it retain its place in Orders of the Day. Agreed.

SB 224 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Palmer moved the Previous Question on **SB 224.** Agreed.

On the roll call the vote was yeas 33—Billington, Blue, Brizendine, Cobb, Derickson, Duffy, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, Howard, D. Johnson, F. Johnson, Kelly, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

SB 224 was passed and the title agreed to.

Senator Palmer moved that the vote by which **SB 224** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 94 taken from Orders of the Day, with the Committee Amendments attached thereto, and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Billington moved the adoption of the Committee Amendment #1 to **SB 94.** Agreed.

Senator Billington moved the adoption of Committee Amendment #2 to **SB 94.** Agreed.

Senator Billington moved the Previous Question on **SB 94,** as amended. Agreed.

On the roll call the vote was yeas 28—Billington, Blue, Brizendine, Buckman, Cobb, Derickson, Duffy, Edwards, Engle, Fuqua, Gardner, Gay, Howard, D. Johnson, F. Johnson, Kiser, Layne, McGinty, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 1—Garrett.

SB 94, as amended, was passed and the title agreed to.

Senator Gardner moved that the vote by which **SB 94**, as amended, was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 159 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Billington moved the Previous Question on **SB 159.** Agreed.

On the roll call the vote was yeas 22—Billington, Blue, Brizendine, Duffy, Edwards, Fuqua, Gardner, Garrett, Gay, Kiser, Layne, Mann, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

SB 159 was passed and the title agreed to.

Senator Gardner moved that the vote by which **SB 159** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 204 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SB 204.** Agreed.

On the roll call the vote was yeas 32—Billington, Blue, Brand, Brizendine, Buckman, Cobb, Derickson, Duffy, Edwards, Engle, Fuqua, Gardner, Garrett, Howard, D. Johnson, F. Johnson, Kelly, Kinkead, Kiser, Layne, Mann, McGinty, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

SB 204 was passed and the title agreed to.

Senator Ware moved that the vote by which **SB 204** was passed be reconsidered and that said motion be laid on the table.

HB 131 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Garrett moved the Previous Question on **HB 131.** Agreed.

On the roll call the vote was yeas 33—Billington, Blue, Brand, Brizendine, Buckman, Cobb, Derickson, Duffy, Edwards, Fuqua, Gardner, Garrett, Howard, D. Johnson, F. Johnson, Kelly, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

HB 131 was passed and the title agreed to.

Senator Garrett moved that the vote by which **HB 131** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 112 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Edwards moved the Previous Question on **SB 112.** Agreed.

On the roll call the vote was yeas 31—Billington, Blue, Brizendine, Buckman, Cobb, Derickson, Duffy, Edwards, Fuqua, Gardner, Garrett, Howard, D. Johnson, F. Johnson, Kelly, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

SB 112 was passed and the title agreed to.

Senator Edwards moved that the vote by which **SB 112** was passed be reconsidered and that said motion be laid on the table. Agreed.

HR 35 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Garrett moved the adoption of **HR 35.** Agreed.

On the roll call the vote was yeas 30—Billington, Blue, Brand, Brizendine, Buckman, Cobb, Derickson, Duffy, Edwards, Fuqua, Gardner, Garrett, F. Johnson, Kelly, Kinkead, Layne, Mann, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

HR 35 was passed and the title agreed to.

Senator Garrett moved that the vote by which **HR 35** was passed be reconsidered and that said motion be laid on the table. Agreed.

Announcements

Senator Gardner, Chairman, announced a meeting of the Rules Committee for 10:00 A.M., Wednesday, March 11 in Room 327.

Senator Howard, Chairman, announced a hearing on **SB 216, SB 217,** referred to the Committee on Planning and Zoning for 10:00 A.M., Wednesday, March 11, in the Senate Chamber.

Senator Gardner moved that the Senate adjourn until 1:00 P.M., Wednesday, March 11. Agreed.

WEDNESDAY, MARCH 11, 1964

FIFTY-SECOND LEGISLATIVE DAY

The Senate was called to order by the President.

Prayer by the Reverend James A. Shepherd of the First Methodist Church of Frankfort.

The roll was called. All Senators present.

Reading of the Journal for March 10 dispensed with and the same approved on motion of Senator McCann.

House Message

Announcing passage of **HB 47, HB 133, HB 177, HB 253, HB 309, HB 325, HB 347, HB 359, HB 362, HB 363, HB 370, HB 390, HB 391, HB 395, HB 397, HB 398, HB 401, HB 404, HB 405, HB 413, HB 414, HB 435, SB 70.**

The President vacated the chair, President Pro Tempore Ware presiding.

Introduction of Bills and Resolutions

SR 42, by Senators Layne, Miller, McGinty, Duffy, Bonn and McCann: A RESOLUTION relating to flood relief.

WHEREAS, the excessive rainfall throughout the Ohio Valley has resulted in severe flooding; and

WHEREAS, the expected river crest is predicted to be the third highest in the past century; and

WHEREAS, several thousand people in the Southwestern part of Jefferson County have been driven from their homes by the high water; and

WHEREAS, the City of Louisville and Jefferson County will be faced with staggering costs for flood-protection work;

NOW, THEREFORE,

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Governor be requested to contact appropriate federal agencies, apprise them of the grave situation, and take necessary steps to obtain whatever federal assistance is available.

Section 2. That the Governor be requested to activate all state agencies to effect relief to the flood victims of the Commonwealth.

Section 3. That the Governor be requested to examine state funds to ascertain if any financial aid can be provided for the relief of flood victims and the responsible governmental agencies of Jefferson County.

Section 4. That a copy of this resolution be delivered to the Governor.

Senator Layne moved the adoption of **SR 42.** Agreed.

SR 43, by Senator Gardner: A JOINT RESOLUTION directing the installation of an electrical roll-call system in the Senate Chamber.

SR 44, by Senator Van Hoose: A CONCURRENT RESOLUTION relating to the renovation and use of the fourth floor of the Capitol building.

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky, the House of Representatives concurring therein:

That the Director of the Legislative Research Commission, in cooperation and conjunction with the Department of Finance, make effort toward the renovation of the fourth floor of the Capitol building, with particular emphasis upon its use as space for committee rooms for the General Assembly.

Senator Van Hoose moved the adoption of **SR 44.** Agreed.

SR 45, by Senator Buckman: A RESOLUTION petitioning the United States Corp of Engineers to provide flood control measures for the Salt River.

WHEREAS, this Senate in 1962 in Senate Resolution 50 brought to the attention of the United States Corp of Engineers this body's concern over flood conditions on the Salt River in Kentucky; and

WHEREAS, it is common knowledge that floods are frequent along the Salt River in general and in Anderson, Nelson, Spencer and Bullitt Counties in particular; and

WHEREAS, this common knowledge appears to have escaped the attention of the United States Corp of Engineers, which agency apparently is devoting itself entirely to the study and restudy of problems well recognized and to the evident shuffling and reshuffling of bureaucratic papers; and

WHEREAS, due to recent flooding in this area the need for flood control is necessary; and

WHEREAS, the cities of Shepherdsville and Lebanon Junction even now are completely inundated by the waters of the Salt River; and

NOW, THEREFORE,

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the United States Corp of Engineers is petitioned to institute the necessary flood control measures on the Salt River, particularly as such measure would alleviate the flooded conditions common in the counties of Anderson, Nelson, Spencer, and Bullitt.

Section 2. That this body firmly believes the people of the Commonwealth have been neglected in the treatment of this matter by the United States Corp of Engineers.

Section 3. That a copy of this Resolution be sent to each United States Senator and Representative from Kentucky, to the United States Corp of Engineers, and to the President of the United States.

Senator Buckman moved the adoption of **SR 45.** Agreed.

SB 250, by Senators Gardner and Ware: AN ACT relating to Workmen's Compensation.

SB 251, by Senator McCann: AN ACT relating to funeral expenses for the elderly.

SB 252, by Senator Newberry: AN ACT relating to oil and gas operators.

SB 253, by Senator Howard: AN ACT relating to campaign expenses.

SB 254, by Senators Fuqua and Van Hoose: AN ACT relating to professional engineers.

SB 255, by Senators Mann, Gay, Mobley, Van Hoose and Spence: AN ACT relating to workmen's compensation.

SB 256, by Senator Kiser: AN ACT relating to unemployment compensation, and amending KRS 348.380.

Reports of Rules Committee

. Committee on Rules reported **SB 212, HB 280, HB 117, HB 270, HB 271,** with Committee Amendments, **SB 125, SB 126, SB 185, SB 145, HB 266, HB 250, HB 22, HB 27** with the expression of opinion that same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 212, AN ACT relating to the Uniform Commercial Code.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Subsection (27) of KRS 355.1-201 is amended to read:

(27) Notice, knowledge or a notice or notification received by an organization is effective for a particular transaction from the time when it is brought to the attention of the individual conducting that transaction, and in any event from the time when it would have been brought to his attention if the organization had exercised due diligence. *An organization exercises due diligence if it maintains reasonable routines for communicating significant information to the person conducting the transaction and there is reasonable compliance with the routines. Due diligence does not require an individual acting for the organization to communicate information unless such communication is part of his regular duties or unless he has reason to know of the transaction and that the transaction would be materially affected by the information.*

Section 2. KRS 355.3-105 is amended to read:

(1) A promise or order otherwise unconditional is not made conditional by the fact that the instrument

(a) is subject to implied or constructive conditions; or

(b) states its consideration, whether performed or promised, or the transaction which gave rise to the instrument, or that the promise or order is made or the instrument matures in accordance with or "as per" such transaction; or

(c) refers to or states that it arises out of a separate agreement *or refers to a separate agreement for rights as to the prepayment or acceleration;* or

(d) states that it is drawn under a letter of credit; or

(e) states that it is secured, whether by mortgage, reservation of title or otherwise; or

(f) indicates a particular account to be debited or any other fund or source from which reimbursement is expected; or

(g) is limited to payment out of a particular fund or the proceeds of a particular source, if the instrument is issued by a government or governmental agency or unit; or

(h) is limited to payment out of the entire assets of a partnership, unincorporated association, trust or estate by or on behalf of which the instrument is issued.

(2) A promise or order is not unconditional if the instrument

(a) states that it is subject to or governed by any other agreement; or

(b) states that it is to be paid only out of a particular fund or source except as provided in this section.

Section 3. KRS 355.3-112 is amended to read:

(1) The negotiability of an instrument is not affected by

(a) the omission of a statement of any consideration or of the place where the instrument is drawn or payable; or

(b) a statement that collateral has been given [for the instrument] *to secure obligations either on the instrument or otherwise of an obligor on the instrument* or that in *the* case of default on [the instrument the collateral may be sold] *those obligations the holder may realize on or dispose of the collateral;* or

(c) a promise or power to maintain or protect collateral or to give additional collateral; or

(d) a term authorizing a confession of judgment on the instrument if it is not paid when due; or

(e) a term purporting to waive the benefit of any law intended for the advantage or protection of any obligor; or

(f) a term in a draft providing that the payee by indorsing or cashing it acknowledges full satisfaction of an obligation of the drawer; or

(g) a statement in a draft drawn in a set of parts (KRS 355.3-801) to the effect that the order is effective only if no other part has been honored.

(2) Nothing in this section shall validate any term which is otherwise illegal.

Section 4. KRS 355.3-122 is amended to read:

(1) A cause of action against a maker or an acceptor accrues

(a) in the case of a time instrument on the day after maturity;

(b) in the case of a demand instrument upon its date or, if no date is stated, on the date of issue.

(2) A cause of action against the obligor of a demand or time certificate of deposit accrues upon demand, but demand on a time certificate may not be made until on or after the date of maturity.

(3) A cause of action against a drawer of a draft or an indorser of any instrument accrues upon demand following dishonor of the instrument. Notice of dishonor is a demand.

(4) Unless an instrument provides otherwise, interest runs at the rate provided by law for a judgment

(a) in the case of a maker [of a demand note], *acceptor or other primary obligor of a demand instrument,* from the date of demand;

(b) in all other cases from the date of accrual of the cause of action.

Section 5. KRS 355.3-412 is amended to read:

(1) Where the drawee's proffered acceptance in any manner varies the draft as presented the holder may refuse the acceptance and treat the draft as dishonored in which case the drawee is entitled to have his acceptance cancelled.

(2) The terms of the draft are not varied by an acceptance to pay at any particular bank or place in the [continental] United States, unless the acceptance states that the draft is to be paid only at such bank or place.

(3) Where the holder assents to an acceptance varying the terms of the draft each drawer and indorser who does not affirmatively assent is discharged.

Section 6. KRS 355.3-504 is amended to read:

(1) Presentment is a demand for acceptance or payment made upon the maker, acceptor, drawee or other payor by or on behalf of the holder.

(2) Presentment may be made

(a) by mail, in which event the time of presentment is determined by the time of receipt of the mail; or

(b) through a clearing house; or

(c) at the place of acceptance or payment specified in the instrument or if there be none at the place of business or residence of the party to accept or pay. If neither the party to accept or pay nor anyone authorized to act for him is present or accessible at such place presentment is excused.

(3) It may be made

(a) to any one of two or more makers, acceptors, drawees or other payors; or

(b) to any person who has authority to make or refuse the acceptance or payment.

(4) A draft accepted or a note made payable at a bank in the [continental] United States must be presented at such bank.

(5) In the cases described in KRS 355.4-210 presentment may be made in the manner and with the result stated in that section.

Section 7. KRS 355.4-106 is amended to read:

A branch or separate office of a bank maintaining its own deposit ledgers is a separate bank for the purpose of computing the time within which and *determining* the place at or to which action may be taken or notices or orders shall be given under this article *and under Article 3.*

Section 8. KRS 355.4-109 is created to read:

The "process of posting" means the usual procedure followed by a payor bank in determining to pay an item and in recording the payment including one or more of the following or other steps as determined by the bank:

(1) verification of any signature;

(2) ascertaining that sufficient funds are available;

(3) affixing a "paid" or other stamp;

(4) entering a charge or entry to a customer's account;

(5) correcting or reversing an entry or erroneous action with respect to the item.

Section 9. KRS 355.4-204 is amended to read:

(1) A collecting bank must send items by reasonably prompt method taking into consideration any relevant instructions, the nature of the item, the number of such items on hand, and the cost of collection involved and the method generally used by it or others to present such items.

(2) A collecting bank may send

(a) any item direct to the payor bank;

(b) any item to any non-bank payor if authorized by its transferor; and

(c) any item other than documentary drafts to any nonbank payor, if authorized by Federal Reserve regulation or operating letter, clearing house rule or the like.

(3) Presentment may be made by a presenting bank at a place where the payor bank has requested that presentment be made.

Section 10. KRS 355.6-103 is amended to read:

The following transfers are not subject to this article:

(1) Those made to give security for the performance of an obligation;

(2) General assignments for the benefit of all the creditors of the transferor, and subsequent transfers by the assignee thereunder;

(3) Transfers in settlement or realization of a lien or other security interest;

(4) Sales by executors, administrators, receivers, trustees in bankruptcy, or any public officer under judicial process;

(5) Sales made in the course of judicial or administrative pro-

ceedings for the dissolution or reorganization of a corporation and of which notice is sent to the creditors of the corporation pursuant to order of the court or administrative agency;

(6) Transfers to a person maintaining a known place of business in this state who becomes bound to pay the debts of the transferor in full and gives public notice of that fact, and who is solvent after becoming so bound;

(7) A transfer to a new business enterprise organized to take over and continue the business, if public notice of the transaction is given and the new enterprise assumes the debts of the transferor and he receives nothing from the transaction except an interest in the new enterprise junior to the claims of creditors;

(8) Transfers of property which is exempt from execution. *Public notice under subsection (6) or subsection (7) may be given by publishing once a week for two consecutive weeks in a newspaper of general circulation where the transferor had its principal place of business in this state an advertisement including the names and addresses of the transferor and transferee and the effective date of the transfer.*

Section 11. KRS 355.6-104 is amended to read:

(1) Except as provided with respect to auction sales (KRS 355.6-108), a bulk transfer subject to this article is ineffective against any creditor of the transferor unless:

(a) The transferee requires the transferor to furnish a list of his existing creditors prepared as stated in this section; and

(b) The parties prepare a schedule of the property transferred sufficient to identify it; and

(c) The transferee preserves the list and schedule for six months next following the transfer and permits inspection of either or both and copying therefrom at all reasonable hours by any creditor of the transferor, or files the list and schedule in the office of the county court clerk.

(2) The list of creditors must be signed and sworn to or affirmed by the transferor or his agent. It must contain the names and business addresses of all creditors of the transferor, with the amounts when known, and also the names of all persons who are known to the transferor to assert claims against him even though such claims are disputed. *If the transferor is the obligor of an outstanding issue of bonds, debentures or the like as to which there is an indenture trustee, the list of creditors need include only the name and address of the indenture trustee and the aggregate outstanding principal amount of the issue.*

(3) Responsibility for the completeness and accuracy of the

list of creditors rests on the transferor, and the transfer is not rendered ineffective by errors or omissions therein unless the transferee is shown to have had knowledge.

Section 12. KRS 355.6-107 is amended to read:

(1) The notice to creditors (KRS 355.6-105) shall state:

(a) that a bulk transfer is about to be made; and

(b) the names and business addresses of the transferor and transferee, and all other business names and addresses used by the transferor within three years last past so far as known to the transferee; and

(c) whether or not all the debts of the transferor are to be paid in full as they fall due as a result of the transaction, and if so, the address to which creditors should send their bills.

(2) If the debts of the transferor are not to be paid in full as they fall due or if the transferee is in doubt on that point then the notice shall state further:

(a) the location and general description of the property to be transferred and the estimated total of the transferor's debts;

(b) the address where the schedule of property and list of creditors (KRS 355.6-104) may be inspected;

(c) whether the transfer is to pay existing debts and if so the amount of such debts and to whom owing;

(d) whether the transfer is for new consideration and if so the amount of such consideration and the time and place of payment; and

(e) if for new consideration the time and place where creditors of the transferor are to file their claims.

(3) The notice in any case shall be delivered personally or sent by registered *or certified* mail to all the persons shown on the list of creditors furnished by the transferor (KRS 355.6-104) and to all other persons who are known to the transferee to hold or assert claims against the transferor.

Section 13. KRS 355.6-108 is amended to read:

(1) A bulk transfer is subject to this article even though it is by sale at auction, but only in the manner and with the results stated in this section.

(2) The transferor shall furnish a list of his creditors and assist in the preparation of a schedule of the property to be sold, both prepared as before stated (KRS 355.6-104).

(3) The person or persons other than the transferor who direct, control or are responsible for the auction are collectively called the "auctioneer." The auctioneer shall:

(a) receive and retain the list of creditors and prepare and retain the schedule of property for the period stated in this article (KRS 355.6-104);

(b) give notice of the auction personally or by registered *or certified* mail at least ten days before it occurs to all persons shown on the list of creditors and to all other persons who are known to him to hold or assert claims against the transferor; and

(c) assure that the net proceeds of the auction are applied as provided in this article (KRS 355.6-106).

(4) Failure of the auctioneer to perform any of these duties does not affect the validity of the sale or the title of the purchasers, but if the auctioneer knows that the auction constitutes a bulk transfer such failure renders the auctioneer liable to the creditors of the transferor as a class for the sums owing to them from the transferor up to but not exceeding the net proceeds of the auction. If the auctioneer consists of several persons their liability is joint and several.

Section 14. KRS 355.7-210 is amended to read:

(1) Except as provided in subsection (2), a warehouseman's lien may be enforced by public or private sale of the goods in bloc or in parcels, at any time or place and on any terms which are commercially reasonable, after notifying all persons known to claim an interest in the goods. Such notification must include a statement of the amount due, the nature of the proposed sale and the time and place of any public sale. The fact that a better price could have been obtained by a sale at a different time or in a different method from that selected by the warehouseman is not of itself sufficient to establish that the sale was not made in a commercially reasonable manner. If the warehouseman either sells the goods in the usual manner in any recognized market therefor, or if he sells at the price current in such market at the time of his sale, or if he has otherwise sold in conformity with commercially reasonable practices among dealers in the type of goods sold, he has sold in a commercially reasonable manner. A sale of more goods than apparently necessary to be offered to insure satisfaction of the obligation is not commercially reasonable except in cases covered by the preceding sentence.

(2) A warehouseman's lien on goods other than goods stored by a merchant in the course of his business may be enforced only as follows:

(a) All persons known to claim an interest in the goods must be notified.

(b) The notification must be delivered in person or sent by registered *or certified* letter to the last known address of any person to be notified.

(c) The notification must include an itemized statement of the claim, a description of the goods subject to the lien, a demand for payment within a specified time not less than ten days after receipt of the notification, and a conspicuous statement that unless the claim is paid within that time the goods will be advertised for sale and sold by auction at a specified time and place.

(d) The sale must conform to the terms of the notification.

(e) The sale must be held at the nearest suitable place to that where the goods are held or stored.

(f) After the expiration of the time given in the notification, an advertisement of the sale must be published once a week for two weeks consecutively in a newspaper of general circulation where the sale is to be held. The advertisement must include a description of the goods, the name of the person on whose account they are being held, and the time and place of the sale. The sale must take place at least fifteen days after the first publication. If there is no newspaper of general circulation where the sale is to be held, the advertisement must be posted at least ten days before the sale in not less than six conspicuous places in the neighborhood of the proposed sale.

(3) Before any sale pursuant to this section any person claiming a right in the goods may pay the amount necessary to satisfy the lien and the reasonable expenses incurred under this section. In that event the goods must not be sold, but must be retained by the warehouseman subject to the terms of the receipt and this article.

(4) The warehouseman may buy at any public sale pursuant to this section.

(5) A purchaser in good faith of goods sold to enforce a warehouseman's lien takes the goods free of any rights of persons against whom the lien was valid, despite noncompliance by the warehouseman with the requirements of this section.

(6) The warehouseman may satisfy his lien from the proceeds of any sale pursuant to this section but must hold the balance, if any, for delivery on demand to any person to whom he would have been bound to deliver the goods.

(7) The rights provided by this section shall be in addition to all other rights allowed by law to a creditor against his debtor.

(8) Where a lien is on goods stored by a merchant in the course of his business the lien may be enforced in accordance with either subsection (1) or (2).

(9) The warehouseman is liable for damages caused by failure to comply with the requirements for sale under this section and in case of willful violation is liable for conversion.

Section 15. KRS 355.8-102 is amended to read:

(1) In this article unless the context otherwise requires

(a) A "security" is an instrument which

1. is issued in bearer or registered form; and

2. is of a type commonly dealt in upon securities exchanges or markets or commonly recognized in any area in which it is issued or dealt in as a medium for investment; and

3. is either one of a class or series or by its terms is divisible into a class or series of instruments; and

4. evidences a share, participation or other interest in property or in an enterprise or evidences an obligation of the issuer.

(b) A writing which is a security is governed by this article and not by Uniform Commercial Code-Commercial Paper even though it also meets the requirements of that article. This article does not apply to money.

(c) A security is in "registered form" when it specifies a person entitled to the security or *to* the rights it evidences and when its transfer may be registered upon books maintained for that purpose by or on behalf of an issuer or the security so states.

(d) A security is in "bearer form" when it runs to bearer according to its terms and not by reason of any indorsement.

[(2) "Proper form" means regular on its face with regard to all formal matters.]

(2) [(3)] A "subsequent purchaser" is a person who takes other than by original issue.

(3) A "clearing corporation" is a corporation all of the capital stock of which is held by or for a national securities exchange or association registered under a statute of the United States such as the Securities Exchange Act of 1934.

(4) A "custodian bank" is any bank or trust company which is supervised and examined by state or federal authority having supervision over banks and which is acting as custodian for a clearing corporation.

(5) [(4)] Other definitions applying to this article or to specified parts thereof and the sections in which they appear are:

"Adverse claim". KRS 355.8-301.
"Bona fide purchaser". KRS 355.8-302.
"Broker". KRS 355.8-303.
"Guarantee of the signature". KRS 355.8-402.
"Intermediary bank". KRS 355.4-105.
"Issuer". KRS 355.8-201.
"Overissue". KRS 355.8-104.

(6) [(5)] In addition Article 1 contains general definitions and principles of construction and interpretation applicable throughout this article.

Section 16. KRS 355.8-107 is created to read:

(1) Unless otherwise agreed and subject to any applicable law or regulation respecting short sales, a person obligated to deliver securities may deliver any security of the specified issue in bearer form or registered in the name of the transferee or indorsed to him or in blank.

(2) When the buyer fails to pay the price as it comes due under a contract of sale the seller may recover the price
(a) of securities accepted by the buyer; and
(b) of other securities if efforts at their resale would be unduly burdensome or if there is no readily available market for their resale.

Section 17. KRS 355.8-208 is amended to read:

(1) A person placing his signature upon a security as authenticating trustee, registrar, transfer agent or the like warrants to a purchaser for value without notice of the particular defect that
(a) the security is genuine [and in proper form]; and
(b) his own participation in the issue of the security is within his capacity and within the scope of the authorization received by him from the issuer; and
(c) he has reasonable grounds to believe that the security is *in the form and* within the amount the issuer is authorized to issue.

(2) Unless otherwise agreed, a person by so placing his signature does not assume responsibility for the validity of the security in other respects.

Section 18. KRS 355.8-306 is amended to read:

(1) A person who presents a security for registration of transfer or for payment or exchange warrants to the issuer that he is entitled to the registration, payment or exchange. But a purchaser for value without notice of adverse claims who receives a new, reissued or reregistered security on registration of transfer warrants only that he has no knowledge of any unauthoized signature (KRS 355.8-311) in a necessary indorsement.

(2) A person by transferring a security to a purchaser for value warrants only that
(a) his transfer is effective and rightful; and
(b) the security is genuine and has not been materially altered; and
(c) he knows no fact which might impair the validity of the security.

(3) Where a security is delivered by an intermediary known to be entrusted with delivery of the security on behalf of another or with collection of a draft or other claim against such delivery, the intermediary by such delivery warrants only his own good faith and authority even though he has purchased or made advances against the claim to be collected against the delivery. [A broker is not an intermediary within the meaning of this subsection.]

(4) A pledgee or other holder for security who redelivers the security received, or after payment and on order of the debtor delivers that security to a third person makes only the warranties of an intermediary under subsection (3).

(5) A broker gives to his customer and to the issuer and a purchaser the warranties provided in this section and has the rights and privileges of a purchaser under this section. The warranties of and in favor of the broker acting as an agent are in addition to applicable warranties given by and in favor of his customer.

Section 19. KRS 355.8-308 is amended to read:

(1) An indorsement of a security in registered form is made when an appropriate person signs on it or on a separate document an assignment or transfer of the security or a power to assign or transfer it or when the signature of such person is written without more upon the back of the security.

(2) An indorsement may be in blank or special. An indorsement in blank includes an indorsement to bearer. A special indorsement specifies the person to whom the security is to be transferred, or who has power to transfer it. A holder may convert a blank indorsement into a special indorsement.

(3) "An appropriate person" in subsection (1) means

(a) the person specified by the security or by special indorsement to be entitled to the security; or

(b) where the person so specified is described as a fiduciary but is no longer serving in the described capacity, — *either that person or* his successor; or

(c) where the security or indorsement so specifies more than one person as fiduciaries and one or more are no longer serving in the described capacity, — the remaining fiduciary or fiduciaries, whether or not a successor has been appointed or qualified; or

(d) where the person so specified is an individual and is without capacity to act by virtue of death, incompetence, infancy or otherwise, — his executor, administrator, guardian or like fiduciary; or

(e) where the security or indorsement so specifies more than one person as tenants by the entirety or with right of survivorship and by reason of death all cannot sign, — the survivor or survivors; or

(f) a person having power to sign under applicable law or controlling instrument; or

(g) to the extent that any of the foregoing persons may act through an agent, — his authorized agent.

(4) Unless otherwise agreed the indorser by his indorsement assumes no obligation that the security will be honored by the issuer.

(5) An indorsement purporting to be only of part of a security representing units intended by the issuer to be separately transferable is effective to the extent of the indorsement.

(6) Whether the person signing is appropriate is determined as of the date of signing and an indorsement by such a person does not become unauthorized for the purposes of this article by virtue of any subsequent change of circumstances.

(7) Failure of a fiduciary to comply with a controlling instrument or with the law of the state having jurisdiction of the fiduciary relationship, including any law requiring the fiduciary to obtain court approval of the transfer, does not render his indorsement unauthorized for the purposes of this article.

Section 20. KRS 355.8-313 is amended to read:

(1) Delivery to a purchaser occurs when

(a) he or a person designated by him acquires possession of a security; or

(b) his broker acquires possession of a security specially indorsed to or issued in the name of the purchaser; or

(c) his broker sends him confirmation of the purchase and also by book entry or otherwise identifies a specific security in the broker's possession as belonging to the purchaser; or

(d) with respect to an identified security to be delivered while still in the possession of a third person when that person acknowledges that he holds for the purchaser*;* [.] *or*

(e) appropriate entries on the books of a clearing corporation are made under KRS 335.8-320.

[(2) Except as specified in paragraphs (b) and (c) of subsection (1) the purchaser is not the holder of securities held for him by his broker despite a confirmation of purchase and a book entry and other indication that the security is part of a fungible bulk held for customers and despite the customer's acquisition of a proportionate property interest in the fungible bulk.]

(2) The purchaser is the owner of a security held for him by his broker, but is not the holder except as specified in subparagraphs (b), (c) and (e) of subsection (1). Where a security is part of a fungible bulk the purchaser is the owner of a proportionate property interest in the fungible bulk.

(3) Notice of an adverse claim received by the broker or by the purchaser after the broker takes delivery as a holder for value is not effective either as to the broker or as to the purchaser. However, as between the broker and the purchaser the purchaser may demand delivery of an equivalent security as to which no notice of an adverse claim has been received.

Section 21. KRS 355.8-320 is created to read:

(1) If a security

(a) is in the custody of a clearing corporation or of a custodian bank or a nominee of either subject to the instructions of the clearing corporation; and

(b) is in bearer form or indorsed in blank by an appropriate person or registered in the name of the clearing corporation or custodian bank or a nominee of either; and

(c) is shown on the account of a transferor or pledgor on the books of the clearing corporation; then, in addition to other methods, a transfer or pledge of the security or any interest therein may be effected by the making of appropriate entries on the books of the clearing corporation reducing the account of the transferor or pledgor and increasing the account of the transferee or pledgee by the amount of the obligation or the number of shares or rights transferred or pledged.

(2) Under this section entries may be with respect to like securities or interests therein as a part of a fungible bulk and may refer merely to a quantity of a particular security without reference to the name of the registered owner, certificate or bond number or the like and, in appropriate cases, may be on a net basis taking into account other transfers or pledges of the same security.

(3) A transfer or pledge under this section has the effect of a delivery of a security in bearer form or duly indorsed in blank (KRS 355.8-301) representing the amount of the obligation or the number of shares or rights transferred or pledged. If a pledge or the creation of a security interest is intended, the making of entries has the effect of a taking of delivery by the pledgee or a secured party (KRS 355.9-304 and 355.9-305). A transferee or pledgee under this section is a holder.

(4) A transfer or pledge under this section does not constitute a registration of transfer under Part 4 of this article.

(5) That entries made on the books of the clearing corporation as provided in subsection (1) are not appropriate does not affect the validity or effect of the entries nor the liabilities or obligations of the clearing corporation to any person adversely affected thereby.

Section 22. KRS 355.9-206 is amended to read:

(1) Subject to any statute or decision which establishes a different rule for buyers *or lessees* of consumer goods, an agreement by a buyer *or lessee* that he will not assert against an assignee any claim or defense which he may have against the seller *or lessor* is enforceable by an assignee who takes his assignment for value, in good faith and without notice of a claim or defense, except as to defenses of a type which may be asserted against a holder in due course of a negotiable instrument under the Article on Commercial Paper (Article 3). A buyer who as part of one transaction signs both a negotiable instrument and a security agreement makes such an agreement.

(2) When a seller retains a purchase money security interest in goods the Article on Sales (Article 2) governs the sale and any disclaimer, limitation or modification of the seller's warranties.

Section 23. KRS 355.9-403 is amended to read:

(1) Presentation for filing of a financial statement and tender of the filing fee or acceptance of the statement by the filing officer constitutes filing under this article.

(2) A filed financing statement which states a maturity date of the obligation secured of five years or less is effective until such maturity date and thereafter for a period of sixty days. Any other filed financing statement is effective for a period of five years from the date of filing. The effectiveness of a filed financing statement lapses on the expiration of such sixty day period after a stated maturity date or on the expiration of such five year period, as the case may be, unless a continuation statement is filed prior to the lapse. Upon such lapse the security interest becomes unperfected. *A filed financing statement which states that the obligation secured is payable on demand is effective for five years from the date of filing.*

(3) A continuation statement may be filed by the secured party (a) within six months before and sixty days after a stated maturity date of five years or less, and (b) otherwise within six months prior to the expiration of the five year period specified in subsection (2). Any such continuation statement must be signed by the secured party, identify the original statement by file number and date filed and state that the original statement is still effective. Upon timely filing of the continuation statement, the effectiveness of the original statement is continued for five years after the last date to which the filing was effective whereupon it lapses in the same manner as provided in subsection (2) unless another continuation statement is filed prior to such lapse. Succeeding continuation statements may be filed in the same manner to continue the effectiveness of the original statement. Unless a statute on disposition of public records provides otherwise, the filing officer may remove a lapsed statement from the files and destroy it.

(4) A filing officer shall mark each statement with a consecutive file number and with the date and hour of filing and shall hold the statement for public inspection. In addition the filing officer shall index the statements according to the name of the debtor and shall note in the index the file number and the address of the debtor given in the statement.

(5) The uniform fee for filing, indexing and furnishing filing data for an original or a continuation statement shall be $2.50.

Section 24. Section 355.3-106 of the Kentucky Revised Statutes is amended to read as follows:

(1) The sum payable is a sum certain even though it is to be paid

(a) with stated interest or by stated installments; or

(b) with stated different rates of interest before and after default or a specified date; or

(c) with a stated discount or addition if paid before or after the date fixed for payment; or

(d) with exchange or loss exchange, whether at a fixed rate or at the current rate; or

(e) with costs of collections or an attorney's fee *not exceeding fifteen percent of the amount owing or $500, whichever is smaller,* or both *such costs and fee* upon default.

Section 25. Nothing in Section 24 shall validate any term which is otherwise illegal.

Section 26. This Act becomes effective July 1, 1964.

HB 280, AN ACT relating to driver training schools.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. As used herein, unless the context clearly requires otherwise:

(1) "Department" means Department of Public Safety;

(2) "Commissioner" means Commissioner of Public Safety;

(3) "Driver training" means instruction of persons in the operation of motor vehicles;

(4) "Driver training school" means any person, firm, partnership, association or corporation which offers a course of driver training for which a fee or tuition is charged;

(5) "Person," when referring to a driver training school, means person, firm, partnership, association, or corporation.

Section 2. This act shall not apply to any school or educational institution which offers to full time, regularly enrolled students as a part of its curriculum a course in driving instruction nor to automobile dealers and their salesmen who give instruction without charge to purchasers of motor vehicles nor to employers who give instruction without charge to their employees.

Section 3. (1) No person shall operate, conduct, maintain, or establish a driver training school unless he holds a valid current license issued by the department.

(2) No person shall operate, conduct, maintain, or establish a driver training school unless such school has in its employ at least one licensed driver training instructor.

(3) No person shall act as an instructor for a driver training school unless he holds a valid current license as an instructor issued by the department and unless he is employed by a licensed driver training school.

Section 4. (1) Any person seeking a license to operate, conduct, maintain, or establish a driver training school shall make verified application to the department on forms prepared and furnished by the department. The application shall set forth the following information:

(a) The title or name of the school and the names of the owners thereof and, if the owner be a corporation, the names and addresses of the officers thereof;

(b) A statement that the owners of the driver training school and, if the owner be a corporation, the officers thereof, are each 21 years of age or over, are residents of this state, and have been such for at least one year next preceding the application for license, and are each of good moral character;

(c) A description of the established place of business together with the hours during which the driver training school is conducted and a description of the equipment and facilities used in driver training;

(d) Evidence of liability insurance coverage of the driver training school, the instructor, and students of the driver training school while operating driver training school equipment. Such insurance shall have minimum limits of not less than $25,000 for bodily injury or death of one person in any one accident and subject to the limit for any one person, $50,000 for bodily injury or death of two or more persons in any one accident and $10,000 for damage to the property of others in any one accident. Evidence of insurance coverage shall also provide that the insurance coverage shall not be cancelled except after 10 days prior notice in writing by the carrier to the Commissioner.

(2) Each original application for a license to operate a driver training school and each application for renewal of a license to operate a driver training school shall be accompanied by the payment of a fee of two hundred dollars to the department.

(3) Any person seeking a license to act as a driver training instructor shall make verified application to the department on forms prepared and furnished by the department setting forth that the applicant is 21 years of age or older; is of good moral character; is a high school graduate or has the equivalent of a high school education; and holds a current and valid operator's license issued by the department.

(4) Each original application for a license as a driver training instructor and each application for renewal of a license as a driver training instructor shall be accompanied by the payment of a fee of twenty dollars to the department.

Section 5. (1) Every license issued for the operation of a driver training school shall expire on September 1st following the date of the issuance unless sooner revoked or cancelled.

(2) Between July 1st and September 1st of each year every driver training school shall apply for renewal of its license. Such application shall be on forms prepared and furnished by the department.

(3) Every license issued to a driver training instructor shall expire on September 1st following the date of the issuance unless sooner revoked or cancelled.

(4) Between July 1st and September 1st of each year every driver training instructor shall apply for renewal of his license. Such application shall be on forms prepared and furnished by the department.

(5) All fees collected under the provisions of this act or the rules and regulations adopted pursuant to this act shall be paid into the state treasury and credited to a trust and agency fund to be used in defraying the costs and expenses of the administration of this act. No part of this fund shall revert to the general funds of the Commonwealth.

Section 6. (1) Upon receipt of a satisfactory application accompanied by the prescribed fee, the Commissioner shall issue a license to the applicant.

(2) If the license is issued to a driver training school, it shall be prominently displayed on the premises of the school at all times.

(3) If the license is issued to a driver training instructor, it shall

be carried on the person of the instructor at all times during which he is actually giving instruction to any student. Upon request, the instructor shall exhibit the license to any student taking instruction from him and to any other person authorized by law to examine operator's licenses.

Section 7. (1) Every driver training school and driver training instructor shall maintain records showing the name, address and instruction permit or operator's license number of each person to whom instruction is given. Such records shall also indicate the type of instruction given and the length of time of such instruction.

(2) The records required by this section to be maintained shall be available for inspection by the Commissioner or his authorized representative, but shall otherwise remain confidential.

Section 8. The Commissioner shall have the power to make all rules and regulations, consistent with this act, necessary to carry out the provisions and purposes of this act.

Section 9. No driver training school shall be located within three hundred feet of any governmental building in which is carried on any function having to do with the administration of any laws relating to motor vehicles.

Section 10. (1) The Commissioner shall, upon receipt of satisfactory evidence, suspend, revoke, refuse to issue or refuse to renew the license of a driver training school or a driver training instructor if:

(a) The licensee fails or refuses to comply with the provisions of this act or any rule or regulation adopted hereunder;

(b) The licensee has made a false material statement or has concealed a material fact in connection with his application;

(c) The licensee or any officer, director, partner, or other person directly interested in the driver training school held a license issued under this act which was revoked or suspended and not reinstated;

(d) The licensee has been guilty of a fraudulent practice in attempting to obtain for himself or another a license to operate a motor vehicle;

(e) Written notice of the cancellation of insurance required by Section 4 of this act is received by the Commissioner and the licensee does not present satisfactory evidence of insurance to the Commissioner prior to the effective date of the cancellation.

Section 11. Any person who violates Section 3, Section 6(2), Section 6(3), Section 7 or Section 9 of this act shall be fined not less than one hundred dollars nor more than three hundred dollars or be imprisoned for not less than ten days nor more than thirty days, or both fined and imprisoned for each offense.

HB 117, AN ACT relating to historical automobiles.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. In enacting this Act, it is the intention of the General Assembly to recognize the special value of historical vehicles to the Commonwealth, and also to recognize that historical cars, because of their limited use and their easily identifiable characteristics, do not require the same degree of regulation as other vehicles.

Section 2. As used in this Act, unless the context otherwise requires, "historical vehicles" means a motor vehicle which was manufactured prior to 1931 and which is used primarily for exhibition in shows, parades, tours and other special uses but not for general transportation.

Section 3. Historical vehicles shall be registered and licensed by the Department of Revenue. Such registration and license shall be in lieu of the registration and license required by KRS 186.020 to 186.270.

Section 4. Upon payment of a fee of 25 dollars and application in accordance with regulations issued by the Department of Revenue, the Commissioner of Revenue shall issue a certificate of registration and a special license plate which in the judgment of the Commissioner of Revenue will best advertise, popularize and promote the state. The serial number shall begin with the number one and continue in consecutive numerical sequence.

Section 5. The registration license, and license plate of historical vehicles shall be valid without renewal as long as the vehicle is in existence. If the historical vehicle is sold, the registration and license shall be assigned and transferred to the new owner on the records of the Department of Revenue on receipt of an application in accordance with regulations issued by the department and payment of a fee of two dollars.

Section 6. The Commissioner of Revenue may make such reasonable rules and regulations as he deems necessary to further the purposes of this Act.

HB 270, AN ACT relating to the powers and duties of the Division of Forestry.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 149.010 of the Kentucky Revised Statutes is amended to read as follows:

(1) The Division of Forestry in the Department of Conserva-

tion shall supervise all forestry property and advance forest interests of the state through development of such property and interests. It shall initiate such projects as will promote public appreciation of forest protection and of reforestation; encourage tree planting in general and on the public highways in particular; grow, collect and distribute seedlings; form and foster junior forestry clubs; cooperate with local civic organizations in the care of trees and planting of more trees; provide for organized forest fire protection; cooperate with the Federal Government, state departments and landowners in the perpetuation of forests, the promotion of tree growth and the redemption of wasteland for agricultural purposes; and encourage an interest in forestry by correspondence, press, pamphlets, reports, moving pictures and organizations.

(2) *The Director of the Division of Forestry, with the approval of the Commissioner of Conservation, shall adopt and enforce such rules and regulations as may be necessary to carry out the functions assigned the division by law.*

[(2) The Division of Game and Fish may cooperate with the Division of Forestry in combining the services of field men or wardens and may arrange for a just salary or per diem allowance to the warden.]

Section 2. A new section of Chapter 149 of the Kentucky Revised Statutes is created to read as follows:

(1) The Director of the Division of Forestry shall appoint a Chief Law Enforcement and Safety Officer whose duty it shall be to enforce the provisions of this chapter and other laws relating to forests and forest fire control.

(2) The Director of the Division of Forestry may, with the approval of the Commissioner, appoint special officers who shall be under the direct administrative supervision of the Chief Law Enforcement and Safety Officer. The Chief Law Enforcement and Safety Officer and special officers shall have authority co-extensive with the Commonwealth in enforcing the laws relating to forests and forest fire control and shall have all the powers of peace officers, including the power of arrest. The Chief Law Enforcement and Safety Officer and the special officer shall be required to execute bond, in a penal sum fixed by the director, for the faithful and lawful performance of their duties.

(3) A peace officer, or special officer appointed under the authority of this Act, may issue a citation instead of making an arrest for a misdemeanor committed in his presence, if there are reasonable grounds to believe that the person being cited will appear to answer the charge. The citation shall provide that the defendant shall appear within a designated time.

(4) If the defendant fails to appear in response to the citation, or if there is reasonable grounds to believe that he will not appear, a complaint may be made before a magistrate and a warrant shall issue.

Section 3. Section 149.090 of the Kentucky Revised Statutes is amended to read as follows:

(1) A forest warden, the *Chief Law Enforcement and Safety Officer, and special officers* may arrest, without a warrant any person he catches violating any law for the protection of the forests of the state. No action for trespass shall lie against any forest warden, the *Chief Law Enforcement and Safety Officer, and special officers,* or person summoned by him, for crossing or working upon lands of another in connection with his duties of forest warden, *Chief Law Enforcement and Safety Officer, and special officer.*

(2) A forest warden, the *Chief Law Enforcement and Safety Officer, and special officers* may summon any male resident of the state over eighteen years of age who is physically able to assist in extinguishing forest fires. Inability or failure to pay such persons does not bar the authority of the warden, the *Chief Law Enforcement and Safety Officer, and special officers* to summon them.

(3) A forest warden, the *Chief Law Enforcement and Safety Officer, and special officers* may require the use of horses, automobiles, tools and other equipment needed in extinguishing fires. Owners of said required equipment and materials shall receive reasonable compensation therefor, as determined by the forest warden, the *Chief Law Enforcement and Safety Officer, or special officer.* In case of disagreement upon the terms of compensation, the dispute shall be referred to the Director of the Division of Forestry who shall make the final decision.

(4) *No liability shall be incurred by any person charged or directed in the enforcement of this section.*

Section 4. A new section of Chapter 149 of the Kentucky Revised Statutes is created to read as follows:

(1) No person shall resist, obstruct, interfere with or threaten, or attempt to intimidate, or in any other manner interfere with any officer or employee of the Division of Forestry in the discharge of his duties under the provisions of Chapter 149 of the Kentucky Revised Statutes.

(2) Any person who violates subsection (1) shall be fined not less than twenty-five nor more than two hundred dollars, or imprisoned for not more than six months, or both.

Section 5. The Director of the Division of Forestry may, with the approval of the Commissioner of Conservation, offer rewards out of monies appropriated to the Division of Forestry for information leading to the apprehension and conviction of persons violating the laws relating to the setting of fires and forest fire control.

HB 271, AN ACT relating to the protection of forests and to forest fire control.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. The General Assembly of the Commonwealth of Kentucky declares as a public policy of the Commonwealth the prevention and control of forest fires on or threatening the forest land within the Commonwealth in order to preserve forest and other natural resources, enhance the growth and maintenance of forests, conserve forest cover on watersheds, protect recreational, wildlife and other values, promote stability of forest-using industries, and prevent loss of life and damage to property from wildfires and other conflagrations.

Section 2. As used in this Act, unless the context requires otherwise:

(1) "Director" means the Director of the Division of Forestry.

(2) "Division" means the Division of Forestry.

(3) "Person" means an individual, corporation, partnership, association, municipality, state and federal government, or other public body or other legal entity, or any officer, employee or agent of any of the foregoing.

(4) "Timberland" means any land which has enough timber or woody brush, standing or down, to constitute a fire menace to itself or adjoining lands, but does not include lands under cultivation or entirely in grass, nor land that is an isolated fire risk unless a fire on it would imperil the lands of an adjoining landowner.

(5) "Flammable material" shall include but is not limited to refuse, debris, waste forest material, brush, stumps, logs, rubbish, fallen timber, grass, stubble, leaves, slash, and grain.

Section 3. No person shall:

(1) Dispose of a lighted match, cigarette, cigar, ashes, or other flaming or glowing substance, or any other substance or thing in such condition that it is likely to ignite a forest, brush, grass or woods fire, or throw or drop any of the aforesaid objects or substances from a moving vehicle or drop or leave any of the aforesaid objects or substances within the limits of the right-of-way of any road or highway.

(2) Smoke in forest land during any emergency period of fire danger as set by the Division of Forestry, except as may be permitted by rules and regulations of such agency.

(3) Set fire or cause or procure the setting on fire of any flammable material on forest land of another without the consent of the owner.

(4) Set fire or cause or procure the setting on fire of any flammable material on forest land, without notifying adjacent landowners and without taking reasonable precautions both before and after lighting the fire and at all times thereafter to prevent escape thereof.

(5) Deposit or leave unattended on any railroad or highway right-of-way any fire or live coals, or set or maintain thereon any fire for the purpose of cooking, heating, or providing light or warmth unless such fire is enclosed within a stove, drum, fireplace or other properly prepared location.

(6) Set a backfire or cause a backfire to be set, except under the direct supervision of the Division of Forestry, or unless it can be established that the setting of such backfire is necessary for the purpose of saving life or valuable property.

(7) Without authority, destroy, deface, or remove any notice, sign, or poster of the Division of Forestry, posted for the better protection of wood lots, forests or wild lands from fire or trespass.

(8) Use or operate on or adjacent to forest land, a welding torch, tarpot, or other device which may cause a fire, without clearing flammable material surrounding the operation or without taking such other reasonable precautions necessary to ensure against the starting and spreading of fire.

(9) Light, maintain or use a fire for cooking, heating or providing light or warmth upon lands not his own without first obtaining permission from the owner, lessee or agent thereof.

(10) Light or maintain on or adjacent to forest land, a bonfire within one hundred fifty feet (150 feet), or any house or building.

(11) Discharge or cause to be discharged a gun firing incendiary or tracer bullets or tracer charge or combustible gun wadding onto or across any forest land.

(12) Have in his possession on forest land any incendiary or tracer bullet or tracer charge, except in the course of transporting the same in conformity with law.

(13) Light or maintain on or adjacent to forest land an open fire or campfire without clearing flammable material surrounding such fire as necessary to ensure against the escape or spread thereof, or leave such fire before it is extinguished.

(14) Kindle or start, or direct another to kindle or start, any fire in or near a public or private road unless it is under control at all times, and properly extinguished before left.

Section 4. It shall be unlawful for any person to set fire to, or to procure another to set fire to, any flammable material upon land owned or leased by him unless he previously shall have taken all reasonable care and precaution, by having the flammable material cut and piled or carefully cleared around the same, to prevent the spread of such fires to lands other than those owned or leased by him. It shall also be unlawful for any employe of any such owner or lessee of land to set fire to any flammable material, upon such land unless he shall have taken similar precautions to prevent the spread of such fire to any other land.

Section 5. No person shall:

(1) Willfully, maliciously, or wantonly set on fire or cause or procure to be set on fire any forest land, or flammable material on such land, which land is not owned, leased or controlled by him.

(2) Willfully, maliciously or wantonly allow a fire to escape from his land and burn the land or property of another.

(3) Willfully, malicioulsy, or wantonly set, throw or place any device, instrument or paraphernalia in or adjacent to any forest land with intent to set fire to such land, or which in the natural course of events would result in fire being set to such forest land.

Section 6. (1) Any person operating or responsible for the operation of a sawmill, stavemill, heading mill, or other woodworking mill, or any manufacturing or processing establishment not entirely enclosed with fireproof or fire resistant walls or other fire proof or fire resistant shielding, shall if such mill or establishment is in or adjacent to forest land, maintain a cleared area of at least 150 feet in all directions from any fires maintained in or about or in connection with the operation of such mill or establishment, and for a distance of 100 feet in all directions from any sawdust pile, slab pile or any other flammable material accumulated from the operation of such mill or establishment.

(2) Each railroad company shall place in, on or around the top of the chimney of each of its locomotives a screen, fender, damper or other appliance that will prevent as far as possible sparks of fire escaping from the chimney.

(3) Each railroad company shall keep its right of way clear and free from weeds, high grass and decayed timber that is likely to take and communicate fire from passing trains to abutting or adjacent property.

Section 7. No person shall willfully or knowingly set fire to any forest land not his own, or hollow trees or stumps of flammable material on land not his own to capture or destroy wild birds or quadrupeds or to destroy feeding or breeding grounds thereon.

Section 8. Any municipality, public institution or agency, or any persons maintaining or operating a dump within 150 feet of any timberland shall provide such devices and conditions therefor as will reasonably promote the safe operation thereof and guard against the escape of fire therefrom. The Division shall have power to make rules and regulations for the implementation of this section.

Section 9. (1) The periods commencing on March 1 and ending on May 15 and commencing on October 1 and ending on December 15 of each year are hereby declared to be and established as the fire hazard seasons. During the fire hazard seasons, even though the precautions required by Section 4 shall have been taken, it shall be unlawful for any person to set fire to, or to procure another to set fire to, any flammable material capable of spreading fire, located in or within one hundred fifty feet of any woodland or brushland, except between the hours of 4:30 p.m. and twelve o'clock midnight, central standard time, or when the ground is covered with snow.

(2) This section shall not apply to fires which may be set for the purpose of burning tobacco plant beds, nor to fires which may be set within the corporate limits of any city, nor to the burning of weeds, high grass and decayed timber under the supervision of a competent railroad employe on any railroad right-of-way that is being cleared of such material in compliance with Section 6(2), provided any such fire set by any railroad employe shall be extinguished before the employe leaves the vicinity of the fire.

Section 10. (1) It shall be unlawful, when the forest lands, brush lands and fields in this state or any part thereof have become so dry or parched as to create an extraordinary fire hazard endangering lives and property, for any person, except the owner, tenant or owner's authorized agent, persons regularly engaged in cutting, processing, or moving forest products, or persons on official duty, to enter or travel in any state, county, municipal or private forest lands, brush lands, fields or idle or abandoned lands in the area so affected except on public highways or well defined private roads.

(2) When such an emergency is found to exist by the Director of Forestry, the Governor may proclaim such a condition to exist in the Commonwealth or any described part thereof. The provisions of subsection (1) shall be effective only during the time such proclamation is in force and only in the area where such emergency is declared to exist.

(3) The Secretary of State shall cause notice of such proclamation or any amendments or rescission thereof to be published in a newspaper or newspapers of general circulation in the area affected.

Section 11. The Commonwealth Attorney or County Attorney shall initiate and prosecute appropriate abatement proceedings by injunction or otherwise, for the prevention or correction of any condition constituting or threatening to constitute a violation of this Act. The institution or pendancy of a proceeding pursuant to this section shall not bar the imposition of any penalties or the securing of any other relief provided by this Act, or rules or regulations promulgated thereunder.

Section 12. The Division of Forestry shall administer this Act and shall have power to issue, amend and revise such rules and regulations as may be authorized hereby or as may reasonably be necessary to implement the same. The division is authorized to make, conduct or participate in any investigations and surveys designed to establish the cause of and responsibility for a particular forest fire or forest fire conditions generally and to cooperate with any and all law enforcement officers of or in this state in the apprehension and prosecution of persons violating this act. Nothing contained in this Act shall be construed to limit or otherwise impair the jurisdiction or powers of any other department, agency or officer of or in this state to investigate, apprehend, prosecute or punish violations of law.

Section 13. In connection with the administration of this Act and any rule or regulation pursuant hereto, any duly authorized officer, employe or agent of the division and any law enforcement officer or fire protection officer having jurisdiction to enforce any provisions of this Act shall have power to enter upon or into any premises at any time in order to inspect the same and to ascertain the degree of compliance with this Act, and with such rule or regulation promulgated hereunder.

Section 14. The State Department of Highways is authorized to purchase and erect warning signs along the roads and highways of this state advising the public of the provisions of Section 3(1) and the penalty for violation thereof.

Section 15. Any person who violates KRS 150.365 shall be fined not more than two hundred dollars or imprisoned for not more than three months, or both.

Section 16. Section 277.990 (2) of the Kentucky Revised Statutes is amended to read as follows:

(2) Any railroad company that violates or permits any of its agents or employes to violate any of the provisions of KRS 277.110, subsection (1) of KRS 277.160, KRS 277.170, 277.180, 277.210, [sub-

section (1) of KRS 277.220] KRS 277.230 or 277.300 shall, in addition to subjecting itself to any damages that may be caused by such violation, be fined not less than one hundred dollars nor more than five hundred dollars for each offense, to be recovered in the Franklin Circuit Court or in the Circuit Court of any county through which the railroad operates a line of road.

Section 17. (1) If any forest fire shall originate as a result of the violation by any person of any provision of Section 4 or Section 9, such person shall be, in addition to the penalty prescribed under Section 18, liable to the state and to each county for the full amount of all expenses incurred by the state and county respectively in suppressing each fire, such amounts to be recoverable by action brought by the Director of the Division of Forestry in the name of the Commonwealth on behalf of the Commonwealth and by the County Attorney on behalf of the county.

(2) In addition to any penalty pursuant to Section 18, any person violating any of the provisions of this Act shall be answerable in damages to any persons suffering such damage for the cost incurred in the suppression of any fire resulting from such violation and for damage to property resulting from such fires.

Section 18. (1) Any person who violates any of the provisions of this Act or any regulation adopted hereunder, for which no definite fine or imprisonment is fixed by this section, shall be fined not more than two hundred dollars or imprisoned for not more than three months, or both such fine and imprisonment.

(2) Any person who violates any of the provisions of Section 5 shall be fined not more than one thousand dollars and imprisoned for not more than two years, or both such fine and imprisonment.

(3) Any person who violates Section 3(7) shall be fined not less than ten nor more than fifty dollars or imprisoned for not less than ten days nor more than six months, or both such fine and imprisonment.

(4) Any person who violates any provision of Section 4 or Section 9 shall be fined not less than ten nor more than one hundred dollars or imprisoned for not less than ten days or more than six months, or both such fine and imprisonment, for each separate offense.

(5) Any person who violates any provision of Section 10 shall be fined not less than ten nor more than five hundred dollars, or imprisoned for not more than thirty days, or both such fine and imprisonment.

Section 19. Section 433.060 of the Kentucky Revised Statutes is amended to read as follows:

Any person who willfully, intentionally or maliciously sets or causes to be set or started any fire in any [woods or] field belonging to another with the intention of burning the [woods or] field shall be fined not less than five hundred dollars nor more than one thousand dollars, or confined in the penitentiary for not less than one nor more than two years, or both.

Section 20. Section 433.070 of the Kentucky Revised Statutes is amended to read as follows:

Any person who unlawfully sets fire to any weeds, fence, grass, straw or other thing capable of spreading fire on land shall be fined not less than ten dollars nor more than *two* [one] hundred dollars, or imprisoned for not less than ten days nor more than *three* [six] months, or both.

Section 21. Sections 149.290, 149.300, 149.305, 149.990(3), 149.990(4), 277.220, 433.080, 433.090, 433.100 of the Kentucky Revised Statutes are repealed.

Said Committee Amendments to **HB 271** are as follows:

Amend printed copy of House Bill #271 on page 7,

inserting a paragraph (3) to Section 9 of bill to read as follows:

"(3) This section shall not apply to fires which may be set by competent and qualified employees of utility or pipeline companies in connection with the construction, operation or maintenance of pipelines, powerlines or other projects in the public interest on rights-of-way used for such pipelines, powerlines or other projects, and such fires shall be extinguished before the employees of such utility or pipeline companies leave the vicinity of the fire."

Amend printed copy of House Bill #271 on page 7, by:

inserting after the word "products" and the comma the following:

"person engaged in constructing, maintaining and operating utility or pipeline rights-of-way,"

SB 125, AN ACT relating to urban services districts.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 108.030 of Kentucky Revised Statutes is amended to read as follows:

(1) The governmental and corporate authority of an urban services district shall be vested in a district council, which shall be the legislative and policy-making body, and a district director, who shall be the chief executive officer and shall preside over meetings

of the council. The director [may vote as a member of the council in the event of a tie, but not otherwise, and] shall have no right of veto over actions of the council.

(2) The council shall be composed of five members, to be elected *for a term of four years at the next general election following the creation of the district* [as provided for in this chapter]. *At the expiration of their terms, vacancies shall be filled in accordance with the general election laws of the state.* Members of the council shall be qualified voters of the district, and a member shall vacate his position by removal of his residence from the district. Vacancies on the council shall be filled by appointment by the Governor for the remainder of the term. Members shall serve until their successors are elected and qualified.

(3) The council shall establish departments, offices or agencies to carry out the functions and services of the district and prescribe their powers and duties. The council shall meet regularly at least once in each month, and special meetings may be called by the director or on the call of three or more members of the council.

(4) The council may determine its own rules and order of business, and may adopt rules and regulations for the functioning of the district to supplement the provisions of this chapter. Each member of the council shall be paid a salary to be fixed by the council.

Section 2. Section 108.040 of Kentucky Revised Statutes is amended to read as follows:

(1) *The director shall be appointed by the council and shall serve at their pleasure; provided, however, the director shall not be removed unless he has received from the council a notice of intention to remove him and the reasons therefor and unless a public hearing has been held on the charges.* The director shall, as the chief executive officer of the district, appoint and remove heads of departments of the district, with the approval of the council, appoint and remove other employes of the district, supervise their activities, and fix their compensation, subject to regulations adopted by the council. He shall receive such compensation as may be fixed by the council. *No residence qualification shall be required of the director.* [No person shall be eligible to be elected director unless he is a resident of the district, and shall vacate his office by removal of his residence from the district.] *Any person holding the office of director by election as of the effective date of this act shall continue in office until the expiration of the term.* In the event of a vacancy in the office of the director, it shall be filled by appointment by the *council.* [Governor for the remainder of the term.]

(2) The council shall designate a qualified administrative officer of the district to assume the duties and authority of the

director during periods of temporary absence or disability of the director.

Section 3. Section 108.050 of Kentucky Revised Statutes is amended to read as follows:

(1) The question of the establishment of an urban services district shall be submitted to the voters of the district if a petition bearing the signatures of the number of registered voters of the area to be embraced within the district equal to at least ten percent of the vote cast for county judge in that district at the last election is filed with the county court. *After the effective date of this act, the county court shall not receive or consider a petition for the creation of a district which would contain less than ten square miles of area.* The election on creation of the district shall be held at the next regular election if the petition is filed at least ninety days prior to the date for the regular election. The petition shall state that establishment of the district is being sought pursuant to the provisions of this chapter, shall state the official name by which the district shall be known, and shall prescribe the territory intended to be included in the district.

(2) If the county court finds the petition is in proper order and the creation of the district will be in accordance with the provisions of this chapter, a certified copy of the order of the county court directing that the question be submitted to a vote shall be filed with the county court clerk at least forty-five days prior to the next regular election. The county court clerk shall give notice of the petition by publishing it in two consecutive editions of a newspaper of general circulation within the proposed district. The county court clerk shall cause the question to be submitted to a vote at the election. The question shall be in the following form: "Are you in favor of establishing____________________________(name of district) as an urban services district?" If a majority of those voting on the question vote in the affirmative, the district shall be established. The cost of the election shall be paid by the fiscal court.

(3) The Governor shall, immediately upon certification that the district has been established, appoint [a qualified person as director and] five qualified persons as members of the council.

SB 126, AN ACT relating to interlocal cooperation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 65.230 of Kentucky Revised Statutes is amended to read as follows:

As used in KRS 65.210 to 65.300, unless the context otherwise requires, "public agency" means any political subdivision of this state, any agency of the state government or of the United States, *and any political subdivision of another state.*

Section 2. Section 65.240 of Kentucky Revised Statutes is amended to read as follows:

(1) Any power of powers, privileges or authority exercised or capable of exercise by a public agency of this state may be exercised and enjoyed jointly with any other public agency of this state, *and jointly with any public agency of any other state* or of the United States to the extent that the laws of the United States permit such joint exercise or enjoyment. Any agency of the state government when acting jointly with any public agency may exercise and enjoy all of the powers, privileges and authority conferred by KRS 65.210 to 65.300 upon a public agency.

(2) Any two or more public agencies may enter into agreements with one another for joint or cooperative action pursuant to the provisions of KRS 65.210 to 65.300. Appropriate action by ordinance, resolution or otherwise pursuant to law, of the governing bodies of the participating public agencies shall be necessary before any such agreement may enter into force.

Section 3. Section 65.260 of Kentucky Revised Statutes is amended to read as follows:

(1) No agreement made pursuant to KRS 65.210 to 65.300 shall relieve any public agency of any obligation or responsibility imposed upon it by law except that to the extent of actual and timely performance thereof by a joint board or other legal or administrative entity created by an agreement made pursuant to KRS 65.210 to 65.300, said performance may be offered in satisfaction of the obligation or responsibility.

(2) Every agreement made pursuant to KRS 65.210 to 65.300 shall, prior to and as a condition precedent to its entry into force, be submitted to the Attorney General who shall determine whether the agreement is in proper form and compatible with the laws of the state. The Attorney General shall approve any agreement submitted to him under this subsection unless he finds that it does not meet the conditions set forth in KRS 65.210 to 65.300. In the event that the agreement does not meet such conditions, the Attorney General shall detail in writing, addressed to the governing bodies of the public agencies concerned, the specific respects in which the proposed agreement fails to meet the requirements of law. *Failure to disapprove an agreement submitted hereunder within sixty days of its submission shall constitute approval thereof.*

Section 4. Section 65.250 of Kentucky Revised Statutes is amended to read as follows:

(1) Any such agreement shall specify the following:

(a) The duration of the agreement;

(b) The precise organization, composition and nature of any separate legal or administrative entity created thereby together with a statement of any of its employes to the joint or cooperative action, which employers are subject to any civil service laws or regulations, such employes shall not lose any rights or benefits which have accrued prior to such transfer. *Such employes, when transferred, shall be considered as having satisfied all of the qualifications for obtaining original appointment under applicable civil service laws and regulations, and shall be considered as having been given probationary appointments as defined in such laws or regulations as of the date they are so placed in the classified service.*

(2) In the event that the joint or cooperative action is such that its employes would be afforded civil service [pension] rights or benefits if they were employes of a county or city, such employes *shall* [may] be afforded the protection of civil service laws or regulations; provided, however, that such protection is available under the laws of this state.

(3) In the event the joint or cooperative action employs a person employed immediately prior thereto by a component city or county, or by a special district, such employe shall be deemed to remain an employe of such city, county or special district for the purposes of any pension plan of such city, county, or special district, and shall continue to be entitled to all rights and benefits thereunder as if he had remained as an employe of the city, county, or special district, until the joint or cooperative action has provided a pension plan to which such employe is eligible and such employe has elected, in writing, to participate therein. Until such election, the joint or cooperative action shall deduct from the remuneration of such employe the amount which such employe is or may be required to pay in accordance with the provisions of the plan of such city, county, or special district and the joint or cooperative action shall pay to the city, county, or special district any amounts required to be paid under the provisions of such plan by employer and employe, unless an agreement, not the powers delegated thereto; provided such legal entity may be legally created;

(c) The purpose or purposes of such legal or administrative entity;

(d) The manner of financing the joint or cooperative undertaking and of establishing and maintaining a budget therefor; *said agreement for financing the joint or cooperative undertaking shall include agreements relative to the respective responsibilities of the units of government involved for the payment of the employer's share involved in any pertinent pension plan or plans, if any, provided for by KRS 65.280;*

(e) The permissable method or methods to be employed in accomplishing the partial or complete termination of the agreement and for disposing of property upon such partial or complete termination;

(f) Any other necessary and proper matters.

(2) In the event that the agreement does not establish a separate legal or administrative entity to conduct the joint or cooperative undertaking, the agreement shall, in addition to paragraphs (a), (c), (d), (e) and (f) enumerated in subsection (1) of this section, containing the following:

(a) Provision for an administrator or joint board responsible for administering the joint or cooperative undertaking. In the event that a joint board is established, the public agencies party to the agreement shall be represented thereon;

(b) The manner of acquiring, holding and disposing of real and personal property used in the joint or cooperative undertaking.

Section 5. Section 65.280 of Kentucky Revised Statutes is amended to read as follows:

(1) In the event that a public agency or agencies determine to transfer *adversely affecting the employe's interest, or expectancy, has been made pursuant to KRS 65.250 (1)(d) for the payment of the employer's pension obligation.*

Section 6. Section 65.290 of Kentucky Revised Statutes is amended to read as follows:

Before any agreement made pursuant to KRS 65.210 to 65.300 shall become operative or have force and effect, a certified copy thereof shall be filed with the county clerk of the county which is party to the agreement, the county clerk of the county wherein any other political subdivision of the state is located which is party to such agreement, and with the Secretary of State. *In the event that an agreement entered into pursuant to KRS 65.210 to 65.300 is between or among one or more public agencies of this state and one or more public agencies of another state or of the United States, said agreement shall have the status of an interstate compact, but in any case or controversy involving performance or interpretation thereof or liability thereunder, the public agencies party thereto shall be real parties in interest and the state may maintain an action to recoup or otherwise make itself whole for any damages or liability which it may incur by reason or being joined as a party therein. Such action shall be maintainable against any public agency or agencies whose default, failure or performance, or other conduct caused or contributed to the incurring of damage or liability by the state.*

SB 185, AN ACT relating to the publication, distribution and exhibition of certain reading material, photograph and film.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 436.540 is amended to read:

It is hereby declared to be the policy of the legislature to restrain the publication, sale, [and] distribution *and exhibition* to minors of *books, magazines, reading material,* comic books, *photographs and motion pictures* devoted to crime, terror, physical torture, brutality or illicit sex. It is found that such comic books, [and] publications, *magazines, reading material, photographs and motion pictures* are a contributing factor to juvenile crime and a basic factor in impairing the ethical and moral development of our youth.

Section 2. KRS 436.550 is amended to read:

Any person who shall publish or distribute for sale *or shall exhibit a motion picture theater or drive-in theater,* any book, pamphlet, [or] magazine, *photograph or films* consisting of narrative material in pictorial form, colored or uncolored, [and commonly known as comic books,] the content of which is devoted to or principally made up of pictures or accounts of methods of crime, terror, physical torture, brutality or illicit sex, shall, upon conviction, be fined not more than one thousand dollars or imprisoned not more than one year, or both.

Section 3. KRS 436.560 is amended to read:

(1) Any person who shall knowingly sell, lend, give away, show, advertise for sale *or exhibit* or distribute commercially to any person under the age of eighteen years or have in his possession with intent to sell, lend, give away, show, advertise for sale *or exhibition or* [,] distribute commercially or otherwise offer to any person under the age of eighteen years any *books, magazines,* comic books, *reading material, photographs, motion pictures* as described in KRS 436.550, shall be fined not more than *one thousand* [five hundred] dollars, or imprisoned not more than *one year,* [six months] or both. For the purpose of this section "knowingly" shall mean having knowledge of the character and content of the publication or failure to exercise reasonable inspection which would disclose the content and character of the same.

(2) If any *book, magazine,* comic book, *reading material, photograph or motion picture* as described in KRS 436.550 is displayed in any newsstand, bookstore, drugstore, market, *theater or drive-in theater* or other mercantile establishment where such publication, *or film,* may be seen by any person under the age of eighteen years, such display shall be presumptive evidence that the person owning or in

charge of such establishment was exhibiting the same and intended to sell, offer for sale, display for sale or distribute the same commercially to persons under the age of eighteen years in violation of subsection (1) of this section.

(3) The voluntary classification by any person of the reading materials, articles or film coming within the provisions of subsection (1) That the same are "For Adults Only" or "Adults" or "Adult Entertainment" or any combination of words which would indicate such limitation to the general public, shall be presumptive evidence of a violation of this section.

[(3) The possession by any person of six or more identical articles coming within the provisions of subsection (1) of this section shall be presumptive evidence of a violation of this section.]

SB 145, AN ACT relating to the Kentucky Authority for Educational Television.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

KRS 168.060 is amended to read:

(1) The authority shall meet not less frequently than quarterly, and otherwise as often as necessary for the orderly conduct of its affairs. If it sees fit to do so, it may establish in its by-laws, or by resolution, four or more fixed dates for regular meetings at one or more specified places, in which event any proper business may come before the authority on such occasions, and it shall not be necessary that the members be given notice thereof unless the chairman shall deem it necessary or desirable that the day, place or hour be changed, whereupon notice to such effect shall be mailed to each member by the chairman or secretary, by ordinary first class mail, postage prepaid, not less than one week in advance. Regular meetings may be adjourned to convene again at another time and place, if the facts are shown in a motion or resolution adopted by a majority of those present and entered upon the minutes; and if such be done, the adjourned session shall constitute a continuation of the regular session without notice to absent members; but the motion or resolution of adjournment may specify that every reasonable effort be made to give such notice to absent members as time and circumstances may permit, whereupon the secretary (or in his absence the chairman or any designated member shall make such effort and report the same and the success or failure thereof as to each member, at the occasion of the adjourned session of the regular meeting. Special meetings may be called by the chairman, vice-chairman, secretary, or any two members upon notice of the time, place and business to be transacted, similarly given; and special meetings may be adjourned in

like manner as in the case of regular meetings, except that the matters considered shall be limited to such as are set forth in the notice of the special meeting.

(2) Any member may waive notice orally or in writing at any time before, at or after any meeting; and the presence of a member at any meeting shall constitute a waiver of notice unless such member tenders at such meeting a written protest on the ground of want of sufficient notice.

(3) Five or more members shall constitute a quorum for the transaction of business at any meeting, and a majority vote thereof shall be sufficient to transact any business properly before the meeting. Any lesser number may adjourn to reconvene at another time for failure to muster a quorum.

(4) Immediately upon receiving notice of the election or appointment of all other members, the Superintendent of Public Instruction shall call a meeting for organizational purposes, the same to be held at Frankfort, Kentucky, at a time and place set forth in a written notice mailed to each member, as set forth above. At such meeting, the superintendent shall preside as temporary chairman, and the authority shall elect from among the members a chairman, a vice-chairman, a secretary and a treasurer, and define the duties thereof; or it may combine the office [s] of [secretary and] treasurer [.] *with any other office of the authority or with any position created pursuant to KRS 168.080.*

HB 266, AN ACT relating to industrial buildings; defining their nature and empowering cities and counties to acquire the same by purchase, condemnation, or otherwise.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 103.200 of the Kentucky Revised Statutes is amended to read as follows:

As used in KRS 103.200 to 103.285, "industrial buildings" or "building" means any building, [or] structure, *or related improved area* suitable for and intended for use as a factory, mill, shop, processing plant, assembly plant, [or] fabricating plant, *or parking area deemed necessary to the establishment or expansion thereof,* and the necessary operating machinery and equipment, or any of these things, to be rented or leased to an industrial concern by the city or county by which it is acquired.

Section 2. A new section of the Kentucky Revised Statutes is created to read as follows:

An industrial building within the meaning of KRS 103.200 may *be acquired by a city or a county by purchase, gift, or condemnation. Whenever a city or a county shall determine that land or other property, right of way, or easement over or through any property is needed by such city or county, as the case may be, to accomplish the purposes of KRS 103.200 to 103.285, inclusive, it may by ordinance or resolution authorize the purchase or condemnation, in the name of such city or county, of said land or other property, or right of way or easement necessary for such purposes, and may proceed to condemn and acquire such property in the same manner by which an urban renewal and community development agency is permitted and authorized to acquire property under the provisions of KRS 99.420, and in accordance with the procedures therein set out, except that all property, rights of way and easements already held by its owner or lessee for industrial development shall be exempt from condemnation under this section.*

HB 250, AN ACT relating to public assistance.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) The commissioner shall appoint one or more impartial referees according to KRS 205.160 to hear and decide upon appealed decisions.

(2) Any applicant or recipient who is dissatisfied with the decision or delay in action on his application for public assistance or the amount granted to him may appeal to a referee. On receipt of such an appeal the applicant or recipient shall be given reasonable notice and opportunity for a fair hearing. The applicant or recipient shall be promptly notified of the referee's decision together with the reasons therefor.

(3) The commissioner is authorized to appoint an appeal board for public assistance composed of the commissioner and two other members. The commissioner shall be chairman and he and one other member will constitute a quorum.

(4) Any applicant or recipient who is dissatisfied with the decision of a referee may appeal to the appeal board in the manner and form prescribed by regulation. The board may on its own motion affirm, modify, or set aside any decision of a referee on the basis of the evidence previously submitted in such case, or direct the taking of additional evidence, or may permit any of the parties to such decision to initiate further appeals before it. The board may remove itself or transfer to another referee the proceedings on any appeal pending before a referee. The board shall promptly notify the parties to any proceedings of its findings and decisions.

(5) The manner in which appeals are presented and hearings and appeals conducted shall be in accordance with regulations prescribed by the commissioner for determining the rights of parties, such hearings to be conducted in a summary manner. A complete record shall be kept of all proceedings in connection with any appeal. All testimony at any hearing upon an appeal shall be recorded either stenographically or mechanically. No referee or member of the board shall participate in any hearing in which he is an interested party.

Section 2. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) Within twenty days after a decision by the appeal board, any party aggrieved thereby may secure judicial review thereof by filing a petition for review against the commissioner in the circuit court of the county in which the petitioner resides. The petition shall state fully the grounds upon which review is sought, assign all errors relied on, and shall be verified by the petitioner.

(2) With his answer, the commissioner shall certify and file with the court all documents and papers, and a transcript of all testimony taken in the matter and orders made therein, together with the findings of fact and decision therein. If consented to by the petitioner, an abstract of any portion of the record may be certified by the commissioner in lieu of certifying such portion of the record in full.

(3) The court in its review of such action shall hear the record as certified by the commissioner and no other evidence shall be received. The court shall dispose of the cause in a summary manner, limiting its decision to a determination of whether or not:

(a) There was sufficient probative evidence to support the appeal board's order.

(b) The regulations upon which the order was based are reasonable.

(c) The appeal board acted arbitrarily, unlawfully, or in such a manner as to constitute an abuse of discretion.

(4) The court shall enter judgment affirming, modifying or setting aside the order, or decision, or in its discretion remanding the cause to the appeal board for further proceedings in conformity with the direction of the court.

Section 3. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) Any individual claiming public assistance in any proceeding before the appeal board or a court may be represented by counsel; but no counsel shall either charge or receive for such service more than an amount established by the commissioner by administrative regulation.

Section 4. Section 205.225 of the Kentucky Revised Statutes is amended to read as follows:

If the commissioner finds that public assistance payments have been made in error to any person, or if any person knowingly makes a false statement or misrepresentation of a material fact or knowingly fails to disclose a material fact to the Division of Public Assistance for the purpose of obtaining or increasing any initial or continuing public assistance payments, the commissioner may take the following actions:

(1) Withhold future public assistance payments until all overpayments are repaid or until assistance is reinstated through the appeal process set forth in *this Act* [KRS 205.230].

(2) Institute civil action in the circuit court to recover payments made in error or made as the result of fraud.

(3) Report all facts in the case to the county attorney for prosecution under KRS 205.990 if fraud is indicated.

Section 5. Section 205.230 of the Kentucky Revised Statutes is repealed.

HB 22, AN ACT relating to elections.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 117.615 of the Kentucky Revised Statutes is amended to read as follows:

Any person, male or female, may register as a voter during the period the registration books are open if he possesses or will possess on the day of the next regular election, the qualifications set forth in Constitution 145. Any member of the armed services while on extended duty may register *not later than twenty days* [at any time] *before the election*, provided he possesses the necessary qualifications.

Section 2. Section 117.620 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any person possessing the qualifications for registration as a legal voter may appear before the county clerk of the county of his residence or at the temporary branch offices authorized by the county board of registration and purgation, or at the permanent office or a branch office of the board of registration commissioners if he resides in a city of the first class, and register, or change his party affiliation, at any hour of any day that the office of the county clerk or said temporary branch office or the board of registration commissioners is open for business *except as otherwise provided in subsection (4) of this section.* The county clerk of every county and

the board of registration commissioners of every city of the first class shall cause all registration books or lists to be closed fifty-nine days prior to, and five days following, any primary or general election, and ten days prior to any special election *or city primary election held under the provisions of KRS 89.060 and KRS 89.440,* and no voter shall be registered or be permitted to change his registration or *party affiliation* during the period that the books are closed; *except that, the registration books shall be closed only in those precincts in which the election is held.*

(2) In all counties the county clerk, when authorized by the county board, shall receive registrations, transfers, or change of party affiliation at branch offices at any place in the county, provided such offices are housed in a public building to be selected by the county board. The branch offices shall not be open for a longer period than fifteen days, prior to the closing of the registration books prior to any primary or general election, and but one branch office shall be open in any county at the same time. Any person possessing the qualifications for registration as a legal voter of any voting precinct in the county may appear before the clerk during the period the books are open at the office or branch office, and register or change his party affiliation or transfer his registration card.

(3) For the purpose of registering voters in a city of the second or third class which is not the county seat, the county clerk shall maintain a branch office in the courthouse or city hall of the city and take thereto the registration books for each voting precinct in the city and keep them there during the periods the books are open.

(4) Any voter who wishes to change his party affiliation and who does not wish to apply in person may apply to the county clerk, or the board of registration commissioners if he resides in a city of the first class, by letter or by form which may be provided. The clerk or board shall then mail a notice to the address of the voter appearing on the existing registration records, stating that such application has been made and the particulars thereof, and that the change will be made unless protest is filed at the office of the clerk or the board within ten days from the date of notice. If no protest is filed within the ten-day period, the county clerk or the board shall change the party affiliation of the voter as requested. If a protest is filed, the change shall not be made until the clerk or the board has investigated the matter and given the protesting voter an opportunity to be heard. The date on which the change is made shall be noted on the voter's registration record. No change of party affiliation shall be made except on those days when registrations are allowed under subsection (1) of this section.

Section 3. Section 118.130 of the Kentucky Revised Statutes is amended to read as follows:

(1) Certificates of nomination issued by the State Board of Elections [Commissioners] shall be filed by that board with the Secretary of State immediately. Such certificates issued by the county election commission shall be filed by that commission with the county clerk immediately.

(2) Certificates of nomination made by the governing authority of a party to fill vacancies in office, as provided in KRS 119.030, shall, when required to be filed with the Secretary of State, be filed not less than fifty-five days before the day fixed by law for the election of the person in nomination. When required to be filed with the county court clerk, they shall be filed not less than forty-five days before the day fixed by law for the election of the person in nomination.

(3) Except as provided in subsection (4) of this section, petitions and certificates of nomination made under KRS 118.080 and 118.090, when required to be filed with the Secretary of State, shall be filed not less than fifty-five days before the day fixed by law for the holding of primary elections. When required to be filed with the county court clerk, they shall be filed not less than forty-five days before the day fixed by law for holding of primary elections.

(4) Petitions and certificates of nomination made under KRS 118.080 and 118.090 for the nomination of candidates for city offices or of candidates for members of boards of education shall be filed not less than forty-five nor more than sixty days before the day fixed by law for the election of the person in nomination, except that where any *independent school district or* independent graded school district comprises parts of two or more counties the petitions or certificates shall be filed with the Secretary of State not less than fifty-five days prior to the day fixed for the election of the person in nomination. Certificates of nomination for electors of President and Vice President of the United States shall be filed with the Secretary of State not less than fifty-five days prior to the date fixed by law for the election of such electors.

Section 4. A new section of the Kentucky Revised Statutes is created to read as follows:

No candidate's name shall appear on any ballot more than once except as provided in KRS 119.070.

Section 5. Section 118.240 of the Kentucky Revised Statutes is amended to read as follows:

(1) The county executive committee of any political party having a ticket to elect at any regular election, may designate not more than two challengers to be present at and witness the holding of the election in each precinct in the county. The challengers shall be entitled

to stay in the room or at the door. The challengers shall be appointed in writing signed by the chairman of the committee and shall produce written appointments on demand of any election officer.

(2) *Any school board candidate, independent candidate, or independent ticket at the regular election may designate not more than one challenger to be present at and witness the holding of the elections in each precinct in the county. The challenger shall be entitled to stay in the room or at the door. The challenger shall be appointed in writing by the chairman of the committee, independent candidate or candidates representing a ticket, and shall produce written appointment on demand of any election officer.*

(3) Each challenger shall take the following oath: "You do solemnly swear that you will faithfully and impartially discharge the duties as official challenger assigned by law; that you will not cause any delay to persons offering to vote, further than is necessary to procure satisfactory information of the qualification of such person as an elector; that you will use no means to influence a voter; and that you will not disclose to any person how any elector has voted."

Section 6. Section 118.380 of the Kentucky Revised Statutes is amended to read as follows:

In all regular elections, the governing authority of each political party, *each candidate for member of board of education, independent candidate or independent ticket* may designate to the county board of election commissioners one representative to meet with the board as provided in KRS 118.370. The board shall permit such representatives to assist in and witness the count of the ballots in all the precincts in the county, and each of such representatives shall have equal and full opportunity to inspect and count the ballots.

Section 7. Section 119.020 of the Kentucky Revised Statutes is amended to read as follows:

(1) Except as provided in subsections (3) and (4) of this section and in KRS 119.030, every political party shall nominate all of its candidates for elective offices to be voted for at any regular election at a primary election held as provided in this chapter, and the governing authority of any political party shall have no power to nominate any candidate for any elective office or to provide any method of nominating candidates for any elective office other than by primary elections as provided in this chapter.

(2) Any political organization not constituting a political party as defined in KRS 119.010 may make its nominations as provided in KRS 118.090.

(3) If a vacancy occurs in *the nomination of an unopposed*

candidate or in a nomination made by the primary before [a nomination made by primary, after the primary and] the ballots are printed for the regular election, the governing authority of the party may provide for filling the vacancy. When such a nomination has been made, the certificate of nomination shall be signed by the chairman and secretary of the governing authority of the party making it, and shall be filed in the same manner as certificates of nomination at a primary election.

(4) This chapter does not apply to candidates for subdistrict school trustees, members of boards of education, members of the legislative bodies of cities of the fifth or sixth class, or presidential electors, nor to candidates for mayor, police judge or commissioner in cities of the fourth class operating under the commission form of government and in cities of the second, third or fourth class operating under the city manager form of government.

Section 8. A new section of the Kentucky Revised Statutes is created to read as follows:

Where a vacancy occurs in any elective office less than seventy days before the primary or at any time after the primary, but not less than three months before the general election, independent candidates may file their petitions at the time and place provided for in KRS 118.130 (2).

Section 9. Section 119.080 of the Kentucky Revised Statutes is amended to read as follows:

Candidates for offices to be voted for by the electors of one county or of a district less than one county, except members of Congress, shall file their nomination papers with the county clerk of the county *not less than* [at least] forty-five days before *the day fixed by law for holding* the primary election. Candidates for offices to be voted for by the electors of more than one county, and for members of Congress, shall file their nomination papers with the Secretary of State *not less than* [at least] fifty-five days before *the day fixed by law for holding* the primary election.

Section 10. Section 119.200 of the Kentucky Revised Statutes is amended to read as follows:

(1) Before a person shall be qualified to vote in a primary election, he must possess all the qualifications required of voters in a regular election. In addition, he must be a registered member of the party whose ballot he seeks to vote, and must have been registered as a member of that party at the time of the preceding regular election, or, in the case of new registrations not involving a change of political affiliation made after the preceding regular election, have registered and remained registered as a member of

that party. No person shall be allowed to vote any ballot other than that of the party of which he is a registered member. The qualifications shall be determined as of the date of the primary, without regard to the qualifications or disqualifications as they may exist at the succeeding regular election, except that minors who will become *eighteen* [twenty-one] years of age before the regular election shall be entitled to vote in the primary if otherwise qualified.

(2) In order to determine a voter's qualifications in case of doubt, one of the judges of election shall swear the person as to any of the qualifications, and when so sworn the clerk shall write upon the primary stub bearing the voter's name the words, "sworn as to qualification."

Section 11. Section 122.170 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any elector who was qualified to and did vote on any *Constitutional convention,* constitutional amendment *or state-wide public question* submitted to the voters of the state for their ratification or rejection may contest the election or demand a recount of the ballots by filing a petition, not more than fifteen days after the official canvass and the announcement of the vote for the state by the State Board of Elections [Commissioners], with the clerk of the Franklin Circuit Court, which court shall have exclusive jurisdiction to hear and determine all matters in such cases. The petition shall set forth the grounds of the contest. The contestant may file with the clerk of the Franklin Circuit Court and the Secretary of State a notice of his intention to contest the election before the announcement of the official count by the State Board of Elections [Commissioners] and thereupon the Secretary of State shall forthwith notify all the county boards of election commissioners in the counties involved in the contest to hold the ballots cast at the election on the question subject to the order of the Franklin Circuit Court. The notice shall be served by the Secretary of State by mailing a true and certified copy of the notice of contest, and the order to hold the ballots subject to the order of the court, by registered mail to the sheriffs of the counties in question, and the sheriffs shall forthwith acknowledge receipt thereof.

(2) If the Franklin Circuit Court is not in session at the time the petition of contest is filed, the clerk of the court shall immediately notify the judge of the filing of the petition. The judge shall, within five days after the filing of the petition of contest, determine whether there are sufficient grounds stated to justify the contest, and shall thereupon require the contestants to give bonds for costs. All of the hearings relating to the contest shall be held in the courthouse of Franklin County.

(3) The clerk of the Franklin Circuit Court shall cause a notice

of the contest to be published in some paper of general circulation in the state within two days after the contest is filed, setting out in the publication the substance or the grounds of contest alleged by the contestants.

(4) Any elector who participated in the election on the *convention,* amendment *or state-wide public question* may make himself a party as contestee in the action by filing his petition to be made a party not later than five days after the contest is instituted, and by giving bond of the costs as required of the contestant. If no elector makes himself a party to the contest, the Commonwealth's Attorney for the Franklin Circuit Court shall attend the trial of the cause, and he may file such motions and pleadings in the cause on behalf of the Commonwealth as will insure a fair and honest determination of the contest.

(5) All laws relating to contested elections for state offices shall apply with equal force to contests of the character contemplated by this section, except as otherwise provided in this section and in KRS 122.180.

HB 27, AN ACT relating to elections.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 160.220 is amended to read:

All elections for members of boards of education shall be by secret ballot. The ballot shall be on a separate sheet from all other ballots used in any election. The county clerk shall cause to be printed on the ballot the names of legally eligible candidates *who have filed with the clerk a petition as provided in KRS 118.010.* [in whose behalf he is petitioned to do so in writing by not less than fifty legal voters of the county school district division or independent school district as the case may be, except that in independent school districts embracing a city of the first or second class the number of such petitioners shall not be less than one hundred. The petitions must be filed as provided in KRS 118.120 and 118.130. Each petition must be signed by the requisite number of qualified persons, and shall show the district or the division of the county district, as the case may be, and the place of residence of each person signing it. In county school district divisions no person shall sign more than one petition, and in independent school districts not more petitions than the number of offices to be filled.]

Section 2. KRS 118.070 is amended to read:

(1) Except as provided in KRS 118.110, and subject to the provisions of subsection (2) and (3) of this section, the county clerk of

each county shall cause to be printed on the ballots for the regular election the names of the following persons:

(a) Candidates of a political party, as defined in KRS 119.010, who have received certificates of nomination at the preceding primary election, or certificates of nomination under KRS 119.090, and whose certificates of nomination have been filed with the clerk or the Secretary of State as provided in KRS 118.120, 118.130 and 119.090.

(b) Candidates of a political party, as defined in KRS 119.010, who have been nominated for an unexpired term in a manner determined by the governing authority of the party, as provided in KRS 119.030, and whose evidences of nomination have been filed with the clerk or the Secretary of State within the time prescribed in KRS 118.130.

(c) Candidates of a political party, as defined in KRS 119.010, who have been nominated by the governing authority of the party to fill a vacancy in the candidacy of a person nominated at the preceding primary election, as provided in KRS 119.020, and whose certificates of nomination have been filed with the clerk or the Secretary of State, in sufficient time before the regular election to enable their names to be printed on the ballots at the time the ballots are required to be printed.

(d) Candidates who have been nominated by a political organization as provided in KRS 118.090, and whose certificates or petitions of nomination have been filed with the clerk or the Secretary of State within the time prescribed in KRS 118.130.

(e) Candidates who have been nominated by petition as provided in KRS 118.080, and whose petitions of nominations have been filed with the clerk or the Secretary of State within the time prescribed in KRS 118.130.

(f) Candidates for President and Vice President of the United States, of those political parties and organizations who have nominated presidential electors as provided in KRS 118.090, where the certificate of nomination of such electors has been filed with the Secretary of State within the time prescribed in KRS 118.130.

(2) Those candidates whose petitions or certificates of nomination are required by law to be filed with the Secretary of State shall have their names printed on the ballots when certified to the county clerk as provided in KRS 118.150.

(3) Candidates for members of boards of education shall have their names printed on ballots for the regular election only *after filing* [when nominated] as provided in KRS 160.220.

(4) Except as provided in KRS 119.020 and 119.030, the name of no candidate shall be printed upon the ballots for any regular election as the nominee of any political party, as defined in KRS 119.010, or under the emblem of any political party, as so defined,

except those candidates who have been duly and regularly nominated as nominees of that party at a primary election held as provided in Chapter 119.

(5) No county clerk shall knowingly cause to be printed, upon the ballot for any regular election, the name of any candidate of a political party, as defined in KRS 119.010, who has not been nominated in the manner provided in the primary election laws.

Section 3. KRS 118.080 is amended to read:

(1) [except as provided in subsection (3) of this section,] A candidate for any office to be voted for at any regular election may be nominated by a petition of electors qualified to vote for him, complying with the provisions of subsection (2) of this section.

(2) [Except as provided in subsection (3) of this section,] A petition of nomination for a state officer, or any officer for whom all the electors of the state are entitled to vote, shall contain one thousand petitioners; for a representative in Congress from any Congressional district, or for any officer from an other district except as herein provided, four hundred petitioners; for a county officer or member of the General Assembly, one hundred petitioners; for an officer of a precinct or ward, or other division less than a county, twenty petitioners. The signatures of the petition need not be appended to one paper. No petitioner shall be counted unless his residence and postoffice address are designated. If any person joins in nominating, by petition, more than one nominee for any office to be filled, he shall not be counted as a petitioner for either nomination. The petition shall state the name and residence of each of the candidates, that he is legally qualified to hold the office, and that the subscribers desire, and are legally qualified, to vote for the candidate. The petition shall designate a brief name or title of the party or principle that the candidate represents, together with any simple figure or device by which it is desired that he be designated on the ballots.

[(3) Candidates for members of boards of education shall be nominated as provided in KRS 160.220.]

Calendar

SB 69, SB 240, HB 61, SB 216, SB 217, SB 221, HB 249, with Committee Amendment, **HB 348, SB 244, SB 148, SB 243, SB 227, SB 238, HB 38, SB 235, SB 226, SB 96, HB 208, HB 324,** with Committee Amendment, **SB 210, SB 223, HB 140, HB 210, SB 220** taken from the Calendar and ordered read at length for the second time. Senator Gardner moved that they be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

The President vacated the chair, President Pro Tempore Ware presiding.

Orders of the Day

SB 207 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the Previous Question on **SB 207.** Agreed.

On the roll call the vote was yeas 32—Billington, Blue, Bonn, Brizendine, Buckman, Cobb, Derickson, Duffy, Duncan, Edwards, Fuqua, Gardner, Garrett, D. Johnson, F. Johnson, Kelly, Kiser, Layne, Mann, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

SB 207 was passed and the title agreed to.

Senator Gardner moved that the vote by which **SB 207** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 152 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Donald Johnson moved the Previous Question on **SB 152.** Agreed.

On the roll call the vote was yeas 35—Billington, Blue, Bonn, Buckman, Cobb, Derickson, Duffy, Duncan, Edwards, Fuqua, Gardner, Garrett, Gay, Howard, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

SB 152 was passed and the title agreed to.

Senator Donald Johnson moved that the vote by which **SB 152** was passed be reconsidered and that said motion be laid on the table. Agreed.

SR 25 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the Previous Question on **SR 25.** Agreed.

On the roll call the vote was yeas 36—Billington, Blue, Bonn, Brand, Brizendine, Cobb, Derickson, Duffy, Duncan, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, Howard, D. Johnson, F. Johnson, Kidwell, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

SR 25 was passed and the title agreed to.

Senator Gardner moved that the vote by which **SR 25** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 196 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Nichols moved the Previous Question on **SB 196.** Agreed.

On the roll call the vote was yeas 35—Billington, Blue, Bonn, Brand, Brizendine, Buckman, Derickson, Duffy, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, Howard, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

SB 196 was passed and the title agreed to.

Senator Nichols moved that the vote by which **SB 196** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 197 taken from Orders of the Day and ordered read at length for the third time. Senator Nichols moved that it be read by title only. Agreed by a majority of members elected.

Senator Nichols offered Amendment #1 to **SB 197** and moved its adoption. Agreed.

Said Amendment #1 to **SB 197** is as follows:
Amend printed copy of Senate Bill 197 on page 1, line 6, by:
Changing the word "tangible" to "intangible".

Senator Nichols moved the Previous Question on **SB 197,** as amended. Agreed.

On the roll call the vote was yeas 34—Bonn, Brand, Brizendine, Buckman, Derickson, Duffy, Duncan, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, Howard, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, McCann, McGinty, Miller, Mobley Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

SB 197, as amended, was passed and the title agreed to.

Senator Nichols moved that the vote by which **SB 197,** as amended, was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 198 taken from Orders of the Day and ordered read at length for the third time. Senator Nichols moved that it be read by title only. Agreed by a majority of members elected.

Senator Nichols offered Amendment #1 to **SB 198** and moved its adoption. Agreed.

Said Amendment #1 to **SB 198** is as follows: Amend printed copy of Senate Bill 198 on page 1, lines 6 and 7, by: Deleting the words "by a donor or beneficiary of the trust and unless such donor or beneficiary" and inserting in lieu thereof the words "by any person or persons other than such bank or trust company and unless such person or persons"

Senator Nichols moved the Previous Question on **SB 198,** as amended. Agreed.

On the roll call the vote was yeas 30—Billington, Blue, Bonn, Brand, Buckman, Derickson, Duffy, Edwards, Engle, Gardner, Garrett, Howard, D. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, McCann, McGinty, Miller, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 4—Brizendine, Fuqua, Gay, Mobley.

SB 198, as amended, was passed and the title agreed to.

Senator Nichols moved that the vote by which **SB 198,** as amended, was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 199 taken from the Orders of the Day and ordered read at length for the third time. Senator Nichols moved that it be read by title only. Agreed by a majority of members elected.

Senator Nichols offered Amendment #1 to **SB 199** and moved its adoption. Agreed.

Said Amendment #1 to **SB 199** is as follows:

Amend printed copy of Senate Bill 199 on page 1, line 8, by: Deleting therefrom the word "not" so as to make line 8 read *life insurance trust, when otherwise valid, shall be an invalid*

Senator Nichols moved the Previous Question on **SB 199,** as amended. Agreed.

On the roll call the vote was yeas 30—Billington, Blue, Bonn, Brand, Brizendine, Buckman, Derickson, Duffy, Duncan, Edwards, Engle, Fuqua, Gardner, Garrett, Howard, D. Johnson, Kelly, Kidwell, Kiser, McCann, Miller, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 2—Gay, Mobley.

SB 199, as amended, was passed and the title agreed to.

Senator Nichols moved that the vote by which **SB 199,** as amended, was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 222 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Kelly moved the Previous Question on **SB 222.** Agreed.

On the roll call the vote was yeas 36—Billington, Blue, Bonn, Brand, Brizendine, Buckman, Cobb, Derickson, Duffy, Duncan, Edwards, Engle, Fuqua, Gardner, Garrett, Howard, D. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

SB 222 was passed and the title agreed to.

Senator Gardner moved that the vote by which **SB 222** was passed be reconsidered and that said motion be laid on the table. Agreed.

SR 38 taken from the Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the Previous Question on **SR 38.** Agreed.

On the roll call the vote was yeas 33—Billington, Blue, Bonn, Brizendine, Cobb, Derickson, Duffy, Duncan, Edwards, Engle, Fuqua, Gardner, Gay, Howard, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Raybourne, Spence, Swope, Van Hoose, Ware. Nays 0.

SR 38 was passed and the title agreed to.

Senator Gardner moved that the vote by which **SR 38** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 229 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the Previous Question on **SB 229.** Agreed.

On the roll call the vote was yeas 35—Billington, Blue, Bonn, Brizendine, Buckman, Cobb, Derickson, Duffy, Duncan, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, Howard, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Van Hoose, Ware. Nays 0.

SB 229 was passed and the title agreed to.

Senator Gardner moved that the vote by which **SB 229** was passed be reconsidered and that said motion be laid on the table. Agreed.

Senator Gardner moved that **SB 165** be passed and that it retain its place in the Orders of the Day. Agreed.

HB 312 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Garrett moved the Previous Question on **HB 312.** Agreed.

On the roll call the vote was yeas 34—Billington, Blue, Bonn, Brizendine, Buckman, Cobb, Derickson, Duffy, Duncan, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, Howard, D. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Van Hoose, Ware. Nays 0.

HB 312 was passed and the title agreed to.

Senator Garrett moved that the vote by which **HB 312** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 165 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gay moved the Previous Question on **SB 165.** Agreed.

On the roll call the vote was yeas 30—Billington, Bonn, Brizendine, Cobb, Derickson, Duffy, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, Howard, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Spence, Swope, Van Hoose, Ware. Nays 0.

SB 165 was passed and the title agreed to.

Senator Gay moved that the vote by which **SB 165** was passed be reconsidered and that said motion be laid on the table. Agreed.

Senator Miller moved that the Rules be suspended for the purpose of making a motion. Agreed.

Motion

Senator Miller's motion is as follows:

The Senate moves that copies of Senate Resolution 41 which was adopted on March 10 be sent to the Secretary of State, Secretary of Defense, Secretary of the Navy and all members of the Congressional delegation from Kentucky.

Scott Miller, Jr.

Recess

Senator Gardner moved that the Senate recess for twenty minutes for the purpose of having a meeting of the Committee on Rules. Agreed.

At the appointed hour the President resumed the chair and called the Senate to order.

Senator Ware moved that the Rules be suspended for the purpose of introducing a bill. Agreed.

Introduction of Bill

SB 257, by Senator Ware: AN ACT relating to workmen's compensation.

Orders of the Day—continued

SB 215 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Van Hoose offered Amendment #1 to **SB 215** and moved its adoption. Agreed.

Said Amendment #1 to **SB 215** is as follows: Amend printed copy of Senate Bill 215 on page 2, line 11, by: deleting the word "two" and inserting the word "four"

Senator Van Hoose moved the Previous Question on **SB 215**, as amended. Agreed.

On the roll call the vote was yeas 15—Billington, Buckman, Duncan, Edwards, Fuqua, Gardner, Gay, Layne, Mann, McGinty, Mobley, Newberry, Spence, Swope, Van Hoose. Nays 18—Blue, Bonn, Brand, Brizendine, Cobb, Derickson, Duffy, Engle, Garrett, Howard, F. Johnson, Kidwell, Kinkead, Kiser, McCann, Nichols, Palmer, Raybourne.

SB 215 was defeated.

HB 237 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Garrett moved the Previous Question on **HB 237**. Agreed.

On the roll call the vote was yeas 35—Billington, Blue, Bonn, Brand, Brizendine, Buckman, Cobb, Derickson, Duffy, Duncan, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, Howard, D. Johnson,

F. Johnson, Kidwell, Kinkead, Kiser, Layne, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Van Hoose, Ware. Nays 0.

HB 237 was passed and the title agreed to.

Senator Garrett moved that the vote by which **HB 237** was passed be reconsidered and that said motion be laid on the table. Agreed.

HB 258 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Billington offered Amendment #1 to **HB 258** and moved its adoption. Agreed.

Said Amendment #1 to **HB 258** is as follows:

Amend printed copy of House Bill 258 on page 1, lines 1-10, by: Striking out all of said lines, and inserting in lieu thereof, the following:

"Section 1. All meat which has been imported into the United States of America and offered for sale in this Commonwealth shall be clearly and plainly designated as imported meat on the label of the package. As used herein the term "meat" means only red meat, red meat products and all red meat produced in a foreign country but processed in the United States but does not include canned meat which is appropriately processed before canning.

Section 2. No person shall keep and offer for sale or serve at a public eating place, meat as defined in Section 1, which has been imported into the United States".

Senator Billington moved the Previous Question on **HB 258**, as amended. Agreed.

On the roll call the vote was yeas 25—Billington, Blue, Bonn, Brand, Brizendine, Buckman, Cobb, Derickson, Duffy, Engle, Fuqua, Garrett, Howard, Kinkead, Kiser, Layne, Mann, McGinty, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Van Hoose. Nays 3—Gardner, Miller, Ware.

HB 258, as amended, was passed and the title agreed to.

Senator Billington moved that the vote by which **HB 258**, as amended, was passed be reconsidered and that said motion be laid on the table. Agreed.

HB 5 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Van Hoose offered Committee Amendment #1 to **HB 5** and moved its adoption. Agreed.

Said Committee Amendment #1 to **HB 5** is as follows:

Amend printed copy of Committee Substitute for House Bill 5 on page 1, by:
"AN ACT relating to disposition of state or federally donated commodities and prescribing penalties for the violation thereof."

Senator Van Hoose moved the Previous Question on **HB 5**, as amended. Agreed.
On the roll call the vote was yeas 15—Blue, Brand, Buckman, Fuqua, Garrett, Gay, Howard, D. Johnson, Kinkead, Layne, Mann, McGinty, Miller, Mobley, Van Hoose. Nays 18—Billington, Bonn, Brizendine, Cobb, Derickson, Duffy, Engle, Gardner, Kelly, Kidwell, Kiser, McCann, Newberry, Nichols, Palmer, Raybourne, Spence, Ware.

HB 5 was defeated.

HB 152 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the Previous Question on **HB 152.** Agreed.

On the roll call the vote was yeas 28—Billington, Brand, Brizendine, Cobb, Duffy, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, D. Johnson, F. Johnson, Kelly, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Van Hoose. Nays 0.

HB 152 was passed and the title agreed to.

Senator Garrett moved that the vote by which **HB 152** was passed be reconsidered and that said motion be laid on the table.

SB 211 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Buckman moved the Previous Question on **SB 211.** Agreed.

On the roll call the vote was yeas 13—Bonn, Brand, Buckman, Duffy, Garrett, Gay, D. Johnson, Kinkead, Kiser, Mobley, Newberry, Palmer, Ware. Nays 15—Billington, Blue, Brizendine, Derickson, Edwards, Engle, Fuqua, F. Johnson, Kidwell, Layne, McCann, McGinty, Miller, Nichols, Spence.

SB 211 was defeated.

HB 4 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the Previous Question on **HB 4**. Agreed.

On the roll call the vote was yeas 30—Blue, Bonn, Brand, Brizendine, Cobb, Derickson, Duffy, Edwards, Engle, Fuqua, Gardner, Garret, Gay, Howard, D. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Mobley, Newberry, Nichols, Palmer, Raybourne, Van Hoose, Ware. Nays 0.

HB 4 was passed and the title agreed to.

Senator Gardner moved that the vote by which **HB 4** was passed be reconsidered and that said motion be laid on the table. Agreed.

Senator Spence requested the Senate to allow his name to be stricken from **SB 255** as the sponsor. Agreed.

Report on Enrolled Bills

Committee on Enrollment reported that **HB 220, HB 252, HB 285, HB 131, HR 35, HB 194** had been examined and found correctly enrolled. **HB 220, HB 252, HB 285, HB 131, HR 35, HB 194** read at length, compared, and signed in open session by the President. Ordered delivered to the House.

Orders of the Day—continued

SB 231 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SB 231**. Agreed.

On the roll call the vote was yeas 33—Billington, Blue, Bonn, Brand, Brizendine, Cobb, Derickson, Duffy, Edwards, Engle, Fuqua, Gardner, Gay, Howard, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Van Hoose, Ware. Nays 0.

SB 231 was passed and the title agreed to.

Senator Ware moved that the vote by which **SB 231** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 128 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gay moved the Previous Question on **SB 128**. Agreed.

On the roll call the vote was yeas 24—Billington, Blue, Brand, Brizendine, Cobb, Derickson, Duffy, Edwards, Engle, Fuqua, Gardner, Gay, Howard, F. Johnson, Kelly, Kidwell, Mann, McCann, Miller, Mobley, Newberry, Palmer, Raybourne, Van Hoose. Nays 2—Bonn, Nichols.

SB 128 was passed and the title agreed to.

Senator Gay moved that the vote by which **SB 128** was passed be reconsidered and that said motion be laid on the table. Agreed.

Report of Committee

Committee on Rules reported **SB 248, SB 247, HB 133, SB 246, SB 254, SB 193, SB 252, SB 249** with the expression of opinion that same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 248, AN ACT relating to wages and hours.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

KRS 337.230 is amended to read:

In establishing a minimum fair wage for any service or class of service, the Commissioner and the Wage Board, without being bound by any technical rules of evidence or procedure, shall take into [account the cost of living] *consideration (i) the Consumer Price Index issued by the Bureau of Labor Statistics of the Department of Labor (ii) the per capita income in Kentucky as compared with other states in which minimum wage rates have been established, (iii) the wages paid in Kentucky for work of like or comparable character by employers who voluntarily maintain minimum fair wage standards,* and *(iv)* all other relevant circumstances affecting the value of services or the class of services rendered, and [shall consider the wages paid in the State for work of like or comparable character by employers who voluntarily maintain minimum fair wage standards.] *(v) in establishing a minimum fair wage for employes who receive gratuities from persons to whom the services were rendered, the Wage Board shall establish a differential of 25 cents per hour between those employees who receive gratuities and those employees who do not receive gratuities. Employees who receive gratuities shall be defined as those employees engaged in waiting on customers in areas where food or beverages are served at hotels, motels and restaurants, including drive-in restaurants and taverns. At the conclusion of a final work period in any 24-hour day, each employee who receives gratuities shall report to the employer whether he received during the work period gratuities in an amount which will average 25 cents per hour for each hour worked for such pay period. In the event an employee reports that he received gratuities in an average amount* *less than 25 cents per hour in the 24-hour pay period, the employer shall be required to pay the employee the difference between the average hourly gratuity received during the 24-hour pay period and 25 cents per hour, so that in all events the employee shall receive aggregate wages and gratuities equal to the minimum wages established by the Wage Board for all employees covered by the said wage order period.*

SB 247, AN ACT relating to debts and debtors.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. As used in this Act, the following terms mean:

(1) "Debt adjuster", a person who acts or offers to act for a consideration as an intermediary between a debtor and his creditors for the purpose of settling, compounding, or in anywise altering the terms of payment of any debts of the debtor; and to that end, receives money or other property from the debtor, or on behalf of the debtor, for payment to, or distribution among, the creditors of the debtor.

(2) "Debtor", an individual or individuals jointly and severally, or jointly or severally indebted.

Section 2. Any person who acts or offers to act as a debt adjuster in this state is guilty of a misdemeanor and upon conviction shall be punished as provided by law.

Section 3. The circuit court shall have power, in an action brought in the name of the Commonwealth by the attorney general, or the Commonwealth Attorney, to enjoin any person from acting or offering to act as a debt adjuster; and, in the action, may appoint a receiver for the property and money employed in the transaction of business by the person as a debt adjuster, to insure, so far as may be possible, the return to debtors of so much of their money and property as has been received by the debt adjuster, and has not been paid to the creditors of the debtors.

Section 4. The following persons shall not be considered debt adjusters for the purposes of this Act:

(1) Any attorney at law of this state;

(2) Any person who is a regular, full-time employee of a debtor, and who acts as an adjuster of his employer's debts;

(3) Any person acting pursuant to any order or judgment of court, or pursuant to authority conferred by any law of this state or of the United States;

(4) Any person who is a creditor of the debtor, or an agent of

one or more creditors of the debtor, and whose services in adjusting the debtor's debts are rendered without cost to the debtor; and

(5) Any person who, at the request of a debtor, arranges for or makes a loan to the debtor, and who, at the authorization of the debtor, acts as an adjuster of the debtor's debts in the disbursement of the proceeds of the loan, without compensation for the services rendered in adjusting the debts.

HB 133, AN ACT relating to the Kentucky Employes Retirement System.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 61.510 of the Kentucky Revised Statutes is amended to read as follows:

As used in KRS 61.510 to 61.700, unless the context otherwise requires:

(1) "System" means the Kentucky Employes Retirement System created by KRS 61.510 to 61.700,

(2) "Board" means the Board of Trustees of the system as provided in KRS 61.645;

(3) "Department" means any state department or board or agency participating in the system in accordance with appropriate executive order, as provided in KRS 61.520. For purposes of KRS 61.510 to 61.700, the members, officers and employes of the General Assembly shall be deemed to be a department;

(4) "Examiner" means the medical examiner or examiners as provided in KRS 61.665;

(5) "Employee" means the members, officers and employes of the General Assembly and every regular full-time appointed or elective officer or employe of a participating department, including the Department of Military Affairs. The term shall not include persons engaged as independent contractors, and seasonal, emergency, temporary and part-time workers. In case of any doubt, the board shall determine if a person is an employe within the meaning of KRS 61.510 to 61.700;

(6) "Employer" means a department or any authority of such department having the power to appoint or select an employe in such department, including the Senate and the House of Representatives;

(7) "State" means the Commonwealth of Kentucky;

(8) "Member" means any employe who is included in the membership of the system;

(9) "Service" means the total of current service and prior service as defined herein;

(10) "Current service" means the number of years and completed months, expressed as a fraction of a year, of employment as an employe, on and after July 1, 1956 (except that for members, officers and employes of the General Assembly this date shall be January 1, 1960) for which creditable compensation is paid. An employe shall be credited with one month of current service only in those months he receives compensation for at least one hundred hours of work; provided, however, that each member, officer and employe of the General Assembly shall be credited with a month of service for each month he occupies such position during a legislative biennium;

(11) "Prior service" means the number of years and completed months, expressed as a fraction of a year, of employment as an employe, prior to July 1, 1956, for which creditable compensation was paid; except that, for members, officers and employes of the General Assembly this date shall be January 1, 1960. An employe shall be credited with one month of prior service only in those months he received compensation for at least one hundred hours of work; provided, however, that each member, officer and employe of the General Assembly shall be credited with a month of service for each month he occupied such position during a legislative biennium;

(12) "Beneficiary" means the estate of a member or a person entitled to receive benefits under KRS 61.510 to 61.700. *The designation of a beneficiary shall remain in full force and effect until changed by the member. In the event the death of a person who is designated as beneficiary precedes that of the member, then the estate of the member becomes the beneficiary;*

(13) "Accumulated contributions" at any time means the sum of all amounts deducted from the compensation of a member and credited to his individual account in the members' contribution account, together with interest credited on such amounts, and any other amounts the member shall have contributed thereto, including interest credited thereon;

(14) "Creditable compensation" means all salary, wages and fees paid to the employe as a result of services performed for the employer. The Creditable compensation of members, officers and employes of the General Assembly shall be calculated as having been received in equal amounts for each month of the biennium. In cases where compensation includes maintenance and other perquisites, the board shall fix the value of that part of the compensation not paid in money;

(15) "Final compensation" of a member means the creditable

compensation of the member during the five fiscal years he was paid at the highest average monthly rate of any of the last *fifteen* [ten] years of creditable compensation preceding the member's retirement date divided by the number of months of service during that five-year period multiplied by twelve. Said five years may be fractional and need not be consecutive. *In the event the number of months of service during such five-year period is less than forty-eight, one or more additional fiscal years shall be used;*

(16) "Retirement allowance" means the retirement payments to which a member is entitled;

(17) "Actuarial equivalent" means a benefit of equal value when computed upon the basis of such actuarial tables as are from time to time adopted by the board;

(18) "Normal retirement date" means the sixty-fifth birthday of a member;

(19) "Fiscal year" of the system means the twelve months from July 1 through the following June 30;

(20) "Officers and employes of the General Assembly" means the occupants of those positions enumerated in KRS 6.150 and the assistants if employed by the General Assembly for at least six legislative bienniums.

Section 2. Section 61.552 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any member of the system [on July 1, 1962, and] whose employment has previously been terminated without prejudice and who has been refunded his accumulated contributions, thereby losing service credit, may regain such credit by paying to the system the amount refunded with interest at a rate determined by the board [provided such payment is made prior to January 1, 1963].

[(2) Any person who becomes an employe of a participating department after July 1, 1962, and whose employment has been terminated without prejudice prior to July 1, 1962, and who has been refunded his accumulated contributions, thereby losing service credit, may regain such credit by paying to the system the amount refunded with interest at a rate determined by the board provided such payment is made within six months of reemployment.]

(2) Any former member of the system whose employment has previously been terminated without prejudice and who has been refunded his accumulated contributions, thereby losing service credit, may regain such credit by paying to the system the amount refunded with interest at a rate determined by the board, provided such former member is "an employe" of a county participating in the County

Employes Retirement System and who desires to exercise reciprocal rights as provided in KRS 61.680.

(3) Effective July 1, 1962, and thereafter any employe of a participating department who did not elect membership as provided in subsection (2) of KRS 61.525 may obtain credit for prior service and for current service by paying to the system the contribution he would have paid had he elected membership with interest at the rate determined by the board and an additional sum equal to fifty percent of this amount. The payment of the fifty percent sum shall be considered as accumulated contributions of the individual member.

(4) Effective July 1, 1962, and thereafter, an employe of a participating department which did not participate in the system effective July 1, 1956, may obtain credit for current service between July 1, 1956, and the effective date of participation of his department by paying to the system the contribution he would have paid had his department participated on July 1, 1956, with interest at the rate determined by the board and an additional sum equal to fifty percent of this amount. The payment of the fifty percent sum shall be considered as accumulated contributions of the individual member.

(5) Service credit obtained under this section shall be disallowed if a member does not obtain twelve months additional current service after the date such rights under this section have been exercised.

Section 3. Section 61.590 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any member in service at his normal retirement date or subsequent thereto, *who has completed four or more years of service,* [with] at least one year of *which is* current service, may retire upon written notification to the board, made by such member, setting forth at what time the retirement is to become effective, provided that such effective date shall be after his last day of service and subsequent to the filing of such notice.

(2) Any member [who is] in service on or after his fifty-fifth birthday and *who* has completed at least fifteen years of service, at least one of which is current service [,] *; or fourteen years of service, at least two of which are current service; or thirteen years of service, at least three of which are current service; or twelve years of service, at least four of which are current service; or eleven years of service, at least five of which are current service; or ten years of service, at least six of which are current service;* may retire upon written notification to the board, made by the member setting forth at what time the retirement is to become effective, provided that such effective date shall be after his last day of service and subsequent to the filing of such notice.

(3) Any member having left service prior to his fifty-fifth birthday after having completed at least fifteen years of service at least one of which is current service, may retire on or after his fifty-fifth birthday provided that he shall not have withdrawn his accumulated contributions prior to the effective date of his retirement. The member shall file a written notification to the board setting forth at what time the retirement is to become effective, provided that such effective date shall be subsequent to the filing of such notice.

Section 4. Section 61.595 of the Kentucky Revised Statutes is amended to read as follows:

(1) Upon service retirement at normal retirement date, or subsequent thereto, a member may receive an annual retirement allowance, payable monthly during his lifetime, which shall consist of an amount equal to one percent of the first $4,800 of final compensation multiplied by the number of years of service, plus one and one-fourth percent of final compensation in excess of $4,800 multiplied by the number of years of service, *provided that the annual retirement allowance for each year a member has served as a member of the General Assembly shall be not less than $50;* except that the amount of such annual retirement allowance for a member with ten or more years of service, at least one of which is current service shall not be less than $480. [, provided that if such sum is greater than fifty-two percent of final compensation, the annual retirement allowance shall be fifty-two percent of final compensation]

(2) Upon service retirement prior to normal retirement date, a member may receive an annual retirement allowance payable monthly during his lifetime which shall be determined in the same manner as for retirement at his normal retirement date with years of service and final compensation being determined as of the date of his actual retirement, but the amount of the retirement allowance so determined shall be reduced by five-tenths percent for each thirty days that the actual retirement date precedes the normal retirement date; and the determination made pursuant to this subsection shall not take into account the minimum *annual retirement* allowance *of $480* provided in subsection (1) of this section.

[(3) All persons retired under this section shall be entitled to have their benefits recomputed on July 1, 1962, in accordance with the formula then in effect, provided that the annual retirement allowance of a member retired prior to this date shall not be decreased.]

Section 5. Section 61.635 of the Kentucky Revised Statutes is amended to read as follows:

(1) Each member shall have the right to elect to have his retirement allowance payable under any one of the options set forth in this section in lieu of the retirement allowance otherwise payable

to him upon retirement under any of the provisions of KRS 61.510 to 61.700. The amount of any such optional retirement allowance shall be actuarially equivalent to the amount of retirement allowance otherwise payable to him.

(2) Option (a). The member may elect to receive a decreased retirement allowance during his lifetime and have such retirement allowance continued after his death to *his spouse, or a dependent receiving at least one-half of his support from the member,* [another person] during the lifetime of such person. In case of such an election death benefits that might otherwise be provided under KRS 61.630 shall not be payable upon the death of the member.

(3) Option (b). The member may elect to receive a decreased retirement allowance during his lifetime and have one-half of such retirement allowance continued after his death to *his spouse, or a dependent receiving at least one-half of his support from the member,* [another person] during the lifetime of such person. In case of such an election death benefits that might otherwise be provided under KRS 61.630 shall not be payable upon the death of the member.

Section 6. Section 61.640 of the Kentucky Revised Statutes is amended to read as follows:

(1) If a member, eligible to retire on benefits payable as provided in subsection (1) or (2) of KRS 61.590, dies at any time before retirement and has on file with the board at the time of his death a written designation of a beneficiary, who is the spouse or a dependent receiving at least one-half of his support from the deceased member, then said beneficiary may elect to receive an annual benefit payable monthly which shall be equal in amount to the benefit that would have been paid had the member retired immediately prior to this date of death and elected Option (a) as provided in KRS 61.635 *or the said beneficiary may elect the actuarial equivalent payable for one hundred twenty months certain.*

(2) If a member in service with *fifteen* [twenty] or more years of service, at least one of which is current service, dies at any time before his fifty-fifth birthday and has on file with the board at the time of his death a written designation of a beneficiary, who is the spouse or a dependent receiving at least one-half of his support from the deceased member, then said beneficiary may elect to receive *a monthly payment commencing in the month following the member's death and payable for one hundred twenty months certain. Such benefit payments shall be actuarially equivalent to the benefit the member would have been entitled to receive, based on his age, years of service and final compensation at the date of his death, had the member been eligible for retirement and had he chosen benefits payable under KRS 61.635 (2).* [On the date the member would have

become fifty-five, an annual benefit payable monthly which shall be equal in amount to the benefit that would have been paid had the member retired on his fifty-fifth birthday and elected Option (a) as provided in KRS 61.635]

Section 7. Section 61.680 of the Kentucky Revised Statutes is amended to read as follows:

(1) Every member shall be deemed to consent and agree to any deduction from his compensation required by KRS 61.510 to 61.700 and to all other provisions thereof.

(2) Notwithstanding the provisions of subsection (1) hereof, the Board of Trustees is authorized to exempt, under regulations promulgated by it, those persons entering service of a participating department with [more than five years of] service credit in either [of] the County Employes Retirement System or the Teachers Retirement System who desire to remain with the system in which their service originated and who are permitted by that system so to continue. Authority for reciprocal arrangements among these three systems is recognized.

(3) Reciprocal rights provided for in subsection (2) of this section may be exercised retroactively by a member "in service" on or after July 1, 1964.

Section 8. A new section of the Kentucky Revised Statutes is created to read as follows:

A person receiving a monthly retirement payment under this Act, shall be entitled to have his benefits recomputed on July 1, 1964, in accordance with the formula then in effect, provided that the annual retirement allowance of such person shall not be decreased.

Section 9. Section 61.650 of the Kentucky Revised Statutes is amended to read as follows:

(1) The board shall be the trustee of the several funds created by KRS 61.510 to 61.700 and shall have full power to invest and reinvest such funds, subject to the limitations that no investments shall be made except upon the exercise of bona fide discretion, in securities which, at the time of making the investment, are, by law, permitted for the investment of funds by fiduciaries in this state. Subject to such limitations, the board shall have full power to hold, purchase, sell, assign, transfer or dispose of, any of the securities or investments in which any of the funds created herein have been invested, as well as of the proceeds of such investments and any monies belonging to such funds.

(2) The board, in keeping with its responsibility as trustee and wherever feasible, shall give priority to the investment of funds in

obligations calculated to improve the industrial development and enhance the economic welfare of the Commonwealth. Subject to the authority granted in this section, the board may invest funds of the Kentucky Employes Retirement System, the County Employes Retirement System and the State Police Retirement System in the obligations of the Kentucky Industrial Development Finance Authority.

(3) [(2)] It is declared to be the policy of the Commonwealth to promote the mutual investment of the funds of the retirement systems administered by the Board of Trustees established under KRS 61.645, and such other public retirement systems as may wish to cooperate, and also, where practicable, to encourage the retention of capital funds within this state and region. In furtherance of this policy the Board of Trustees is empowered to incorporate or otherwise establish, either with or without the cooperation of other public retirement systems, such an organization, or organizations (corporate, trust, or otherwise) as may be desirable to secure the mutual investment of the funds of the systems under its control, and such other public systems as may wish to join, and to promote the policies herein described. Such corporation or other organization shall be deemed a governmental agency, organized for a governmental purpose and not for private profit, and its articles of incorporation, trust indenture or other controlling document shall provide that it shall function under the control of its board of directors or trustees for the purposes and under the limitations established by this statute and by the aforesaid articles of incorporation, trust indenture or other controlling document. Such board of directors or trustees shall be elected not more frequently than once yearly by the votes of the chief administrative officers of the retirement systems which are members of the organization, casting their ballots in accordance with the directives of their respective boards of trustees, and each system shall have a vote or votes in proportion to its investment. Members of the boards of trustees of the investing systems shall be eligible to serve on the board of directors or trustees of the corporation or trust organization formed under this section, and at least one-half of those so selected shall be members of the board of the system which they represent.

Section 10. This Act shall become effective on July 1, 1964.

SB 246, AN ACT regulating the shipment of damaged motion picture films.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. It is unlawful for any distributor to ship into this state any motion picture film designed to be used in a theater for public entertainment which is damaged in such a manner that when run through a projector it may be dangerous to the health or safety of any person, unless the film has a sticker attached to the container thereof reciting that the film is damaged. Any person who violates this section shall be fined not more than five hundred dollars or imprisoned for not more than six months, or both.

Section 2. Any person who suffers injury to person or property in any manner due to the use of damaged film shipped in violation of Section 1 of this Act has a cause of action for damages on account of the injury to person or property against the distributor of the film regardless of the absence of any contractual relations between the injured person and the distributor.

Section 3. Whereas the shipment of damaged film into this state is dangerous to the health and safety of citizens of this state, an emergency is declared to exist, and this Act shall become effective upon its passage and approval by the Governor.

SB 254, AN ACT relating to professional engineers.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Beginning the first day of June 1965, and every four years thereafter, each engineer licensed under the provisions of KRS Chapter 322 shall be required to successfully pass a written or written and oral examination designed to show his continuing knowledge and skill in the field of engineering.

Section 2. KRS 322.100 is amended to read:

The license fee for engineers shall *be* [not exceed] *one-hundred* [twenty-five] dollars. Of this amount, a sum *of* [not exceeding fifteen] *ninety* dollars shall accompany the application, the remainder to be paid at the time or times determined by the board. [When a certificate of qualification issued by the National Bureau of Engineering Registration is accepted as evidence of qualification, the total license fee shall not exceed ten dollars.] If the board refuses to issue a license to any applicant the initial fee deposited shall be retained as an application fee.

Section 3. KRS 322.160 is amended to read:

(1) The secretary-treasurer of the board shall notify every licensee of the date of the expiration of his license, and the amount of the fee required for its renewal for one year. Such notice shall be mailed at least one month in advance of the expiration date. Renewals may be effected at any time during June by the payment of a fee *of seventy-five* [not exceeding ten] dollars, *and, if necessary, compliance with the provisions on re-examination.* The failure of any

licensee to renew his license annually in June shall not deprive him of the right of renewal, but the fee to be paid for the renewal of a license after June shall be increased ten percent for each month or fraction of a month that payment of renewal is delayed. But the maximum fee for delayed renewal shall not exceed twice the normal renewal fee. Any person who fails to renew his license within one year after expiration shall furnish the board with satisfactory evidence that he is of good character and reputation and has continued to uphold the ethics of the profession.

(2) All persons who are required to pay renewal fees to the board as licensed engineers shall not be required to pay such fees during the time such persons are actively serving in the Armed Forces of the United States. Any person who has previously paid any renewal fee covering a period during which he was actively serving in the Armed Forces of the United States shall, upon filing with the board a copy of his discharge, be granted a renewal license without the payment of any fee. The free renewal shall be for as many license years as were served by the licensee in the Armed Forces and which were covered in whole or in part by the previous payment of a renewal fee.

SB 193, AN ACT relating to school district bonds.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. (1) Within forty-five days of any interest payment date, the board of education of any city or county school district which shall have issued or may issue in the future any bonds pursuant to KRS 162.090 to 162.620 shall notify in writing the Superintendent of Public Instruction of its intention to redeem the bonds so issued before the date of their maturity.

(2) After such notice, and within thirty days of the interest payment date, the Superintendent of Public Instruction shall notify in writing each bank, trust company, and securities broker authorized to do business in this state of the intention to so redeem. Such notice shall include a description of the bonds to be redeemed and the date of payment thereon.

SB 252, AN ACT relating to oil and gas operators.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. No permit shall be required for the use of vacuum pumps or other devices for the purpose of putting a vacuum on any oil bearing stratum in a lime formation.

Section 2. No oil or gas well may be drilled or reopened which is located less than six hundred feet from another operating well.

Section 3. For each log filed by an operator, except those containing information concerning plugging operations of the operator, which are required by the Department of Mines and Minerals pursuant to its authority under KRS 353.550 subsection (2) the operator shall receive the sum of $3.50.

Section 4. (1) A revolving fund is established and designated the Oil and Gas Operators Fund. Ten percent of the money paid into the state treasury under KRS 137.120 subsections (1) and (2) shall be credited to this fund.

(2) The purpose of this fund is to provide a source from which payments may be made to oil and gas well operators for the filing of logs required by the Department of Mines and Minerals.

Section 5. KRS 353.190 is amended to read:

(1) The owner or occupant of any salt works and saltpetre works shall keep those works, and the grounds upon which the brine, bitter water or saltpetre water is drained or deposited enclosed, so as to prevent the stock of other persons from having access thereto.

(2) When a well or pit sunk for salt water, or in connection with a salt works or saltpetre works, is abandoned or not used, it shall be filled up, or enclosed as provided in subsection (1), by the owner or occupant of the grounds or the persons who sank the well or pit.

(3) If subsections (1) and (2) are not complied with, and the stock of another is injured by gaining access to the well or pit, the persons under the duty to comply with those subsections shall be jointly and severally liable for the damages sustained by the injury to or destruction of the stock.

(4) Water from a salt water disposal well, which is less than one thousand feet from a producing oil well, when disposed of in the well from which it was obtained must be done so at a different level than any oil bearing sand.

Section 6. KRS 353.590 is amended to read:

(1) Any person, seeking a permit required by KRS *353.610* [353.570,] shall submit to the department a written application in such form as may be prescribed by the department.

(2) Each application shall be accompanied by a specified fee. The fee shall be twenty-five dollars for each well to be drilled, [deepened] or reopened for the production of oil or gas; ten dollars for each well to be drilled, deepened or reopened for the injection of

water, gas or other fluid therein; and ten dollars for each well to be drilled, deepened or reopened as a part of a program for the recovery of oil and gas by secondary recovery methods, except that the fee in no event shall exceed one hundred dollars for the permits issued in this last case for all wells on each separately leased tract.

(3) All money paid to the State Treasurer for licenses and fees required by KRS 353.500 to 353.720 shall be for the sole use of the department and shall be in addition to any monies appropriated by the General Assembly for the use of the department.

[(4) Each application shall be accompanied by a plat, which shows the location and elevation of each well, prepared according to the rules and regulations promulgated under KRS 353.500 to 353.720. The plat shall be certified as accurate and correct by the applicant, a qualified employe of the applicant, a person approved by the department, or an engineer registered in Kentucky, provided that when the location of the well is known to be underlaid by coal-bearing stratum, such plat shall be certfied accurate and correct only by an engineer registered in Kentucky. If any plat submitted by an applicant is determined by the department to be materially inaccurate or incomplete, the department may require that a new plat be prepared and submitted either by a person approved by the director or an engineer registered in Kentucky. The department may further require that all future plats submitted by such an applicant be prepared either by a person approved by the director or an engineer registered in Kentucky.]

Section 7. KRS 353.610 is amended to read:

No permit shall be required to drill, deepen or reopen a well for the production of oil or gas, or for the injection of water, gas or other fluid into any oil or gas producing formation unless:

(1) *the well is for the production of oil and is located less than* [Except as provided in KRS 353.500 to 353.720, no permit shall be issued for the drilling, deepening or reopening of any well for the production of oil, unless the proposed location of the well shall be at least] two hundred feet from the nearest boundary of the premises upon which the well is to be drilled, deepened or reopened [; and, if the proposed location is less than four hundred feet from any boundary line of the premises, the proposed location must be at least four hundred feet from the nearest oil producing well. This subsection shall not be construed to regulate the distance between wells which do not produce oil from the same pool].

(2) *the well is for the production of gas and is located less than* [Except as provided in KRS 353.500 to 353.720, no permit shall be issued for the drilling, deepening or reopening of any well for the production of gas unless the proposed location of the well shall be

at least] five hundred feet from the nearest boundary of the premises upon which such well is to be drilled, deepened or reopened; and, if the [proposed] location is less than one thousand feet from any boundary line of the premises, the *well* [proposed location] must be at least one thousand feet from the nearest gas producing well. This subsection shall not be construed to regulate the distance between wells which do not produce gas from the same pool.

(3) This section shall not apply (a) to wells drilled, deepened or reopened for the injection of water, gas or other fluids into an oil or gas producing formation; (b) to any well drilled, deepened or reopened in a pool or portion thereof, which is included in a secondary recovery program commenced or proposed, if the location or proposed location of the well conforms to a geometric pattern already established on all premises which will be offset and affected by the well; or (c) to premises within the limits of any incorporated city, town or village which has enacted or enacts hereafter an ordinance regulating the location or spacing of wells for the production of oil and gas at distances of not less than the distances prescribed in this section.

(4) When any applicant for a permit as required by this section has complied with the provisions of this chapter and all rules and regulations promulgated hereunder, the department shall issue the permit.

(5) The department may authorize the commencement of the drilling, deepening or reopening of any well prior to the issuance of a permit therefor; except if the location of the well is known to be underlaid by a coal-bearing stratum and consent of the owner, operator, and lessee of the coal-bearing stratum has not been granted. Consent shall be implied, when the coal-bearing stratum is owned by the oil and gas lessor or lessee, and the coal is not under lease to any third party.

Section 8. KRS 353.620 is amended to read:

(1) [Notwithstanding KRS 353.610,] *I*f an application is submitted for a permit to drill, deepen or reopen a well closer to a boundary or to another well than prescribed in KRS 353.610 and the application is accompanied by the written consent of all owners of oil and gas interests in any premises which will be offset by the proposed well, the department shall issue a permit for the well.

(2) [Notwithstanding KRS 353.610,] *T*he department may issue a permit for a well to be drilled, deepened or reopened closer to a boundary or another well than prescribed in KRS 353.610, if the director, after notice and hearing, finds that topographical or other conditions are such as to make compliance with the requirements of KRS 353.610 unduly burdensome or in conflict with reasonably pru-

dent methods and practices for the production of oil or gas.

(3) If a permit is issued to drill, [deepen] or reopen a well under this section at a location closer to a well or boundary than prescribed in KRS 353.610, the department shall permit a like variance from the requirements of KRS 353.610 on all premises off-set and adversely affected by the well.

Section 9. KRS 353.991 is amended to read:

(1) Any person, who continues to violate any provision of KRS 353.500 to 353.720, *except KRS 353.610,* or any rule, regulation or order promulgated or issued under KRS 353.500 to 353.720 after being notified in writing of the violation by the department shall be subject to a fine or not more than two hundred dollars or imprisonment for a term not exceeding thirty days, or both.

(2) Any person, who does any of the following for the purpose of evading or violating KRS 353.500 to 353.720, or any rule, regulation, or order promulgated or issued under KRS 353.500 to 353.720, shall be subject to a fine of not more than two hundred dollars or imprisonment for a term not exceeding thirty days, or both:

(a) Makes or causes to be made a false entry or statement in a report, record, account, or memorandum, required by KRS 353.500 to 353.720, or by any rule, regulation or order;

(b) Omits or causes to be omitted from a report, record, account or memorandum full, true, and correct entries and information as required by KRS 353.500 to 353.720, or by any rule, regulation, or order;

(c) Removes from this Commonwealth or destroys, mutilates, alters or falsifies a report, record, account or memorandum as required by KRS 353.500 to 353.720, or by any rule, regulation, or order.

(3) Any person who violates the provisions of KRS 353.610 shall be fined not less than five hundred dollars and shall not be permitted any further production of a well operated in violation of that section.

Section 10. KRS 353.570 and 353.600 are repealed.

SB 249, AN ACT relating to the State Veterinarian.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

KRS 257.210 is amended to read:

(1) The board shall appoint the State Veterinarian.

(2) The State Veterinarian shall be a resident of this state and a licensed graduate veterinarian who has practiced veterinary medicine continuously [in this state] for five years prior to his appointment,

(3) The State Veterinarian shall serve for a term of four years and until his successor has been appointed and has qualified.

(4) He shall be subject to removal from office by the board at any time for cause.

(5) The office of the State Veterinarian shall be in the Department of Agriculture at the State Capitol.

Announcement

Senator Gardner, Chairman, announced a meeting of the Committee on Rules for 10:00 A.M., Thursday, March 12, in Room 327.

Senator Gardner moved that the Senate adjourn until 1:00 P.M., Thursday, March 12. Agreed.

THURSDAY, MARCH 12, 1964

FIFTY-THIRD LEGISLATIVE DAY

The Senate was called to order by the President.

Prayer by the Reverend James A. Shepherd of the First Methodist Church of Frankfort.

The roll was called. All present except Senator Duncan, who was granted leave of absence on motion of Senator Gardner.

Recess

Senator Gardner moved that the Senate recess for the purpose of proceeding to the House Chamber to hear the Honorable Clinton Anderson, United States Senator, who will speak on the subject of medicare. Agreed.

After a time the President resumed the chair and called the Senate to order.

Motions, Petitions and Communications

Senator Kinkead moved that **SB 194** be taken from the Rules Committee and placed upon its passage.

Senators Kinkead and Gardner requested a roll call on Senator Kinkead's motion to take **SB 194** from the Rules Committee and place it upon its passage. Agreed.

Senator Duffy stated that he is committed to vote for **SB 194,** but inasmuch as he is a member of the Rules Committee he is honor bound to vote with that Committee. Therefore, Senator Duffy announced that he would resign from the Rules Committee.

The chair ruled that this is not a question on the bill, or on the subject matter, but a motion on procedure. The Senate refused to accept Senator Duffy's resignation and commended him on his fine performance as a Senator.

On the roll call the vote was yeas 9—Buckman, Duffy, Engle, F. Johnson, Kinkead, McCann, McGinty, Miller, Turner. Nays 18—Blue, Brand, Brizendine, Cobb, Fuqua, Gardner, Gay, D. Johnson, Kelly, Kidwell, Layne, Mobley, Newberry, Nichols, Spence, Swope, Van Hoose, Ware.

The motion to take **SB 194** from the Rules Committee and place it upon its passage was rejected.

Senator Gardner moved that the vote by which the motion to take **SB 194** from the Rules Committee and place it upon its passage was lost be reconsidered and that said motion be laid on the table. Agreed.

Report on Enrolled Bill

Committee on Enrollment reported that **SB 70** had been examined and found correctly enrolled. **SB 70** read at length, compared, and signed in open session by the President. Ordered delivered to the House.

SB 70, delivered, signed by the Speaker. Ordered delivered to the Governor.

Motions, Petitions and Communications—Continued

The Clerk read the following communication from the Honorable Edward T. Breathitt, Governor of the Commonwealth of Kentucky, regarding appointments to the Public Service Commission.

March 4, 1964

Dear Governor Waterfield:

KRS 278.050 provides that the Senate of the General Assembly of the Commonwealth must approve all appointments to the Public Service Commission.

On February 26, 1964, I appointed the following as members of the Public Service Commission, each for a term ending March 1, 1968:

J. David Francis, Bowling Green, Kentucky. Chairman
Woodrow Burchett, Prestonsburg, Kentucky
Wells T. Lovett, Owensboro, Kentucky

This letter should provide the Senate with the necessary information to confirm the appointments.

Sincerely,

Honorable Harry Lee Waterfield
President, Senate
Frankfort, Kentucky

Senator Gardner moved the confirmation of the above appointments. Agreed.

Senator Brizendine moved that **HB 5,** with the Committee Amendment, which was defeated on March 11, be reconsidered. Amendment was adopted on March 11.

On the roll call the vote was yeas 34—Billington, Blue, Bonn, Brand, Brizendine, Buckman, Derickson, Duffy, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, Howard, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Turner, Van Hoose, Ware. Nays 1—Swope.

The motion to reconsider **HB 5**, as amended, was adopted.

Senator Brizendine moved that **HB 5**, as amended, be placed on its passage. Agreed.

Senator Brizendine moved the Previous Question on **HB 5**, as amended. Agreed.

On the roll call the vote was yeas 34—Billington, Blue, Bonn, Brand, Brizendine, Buckman, Cobb, Duffy, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, Howard, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Turner, Van Hoose, Ware. Nays 1—Swope.

HB 5, as amended, was passed and the title agreed to.

Senator Brizendine moved that the vote by which **HB 5**, as amended, was passed be reconsidered and that said motion be laid on the table. Agreed.

Introduction of Bills and Resolution

SR 46, by Senators Nichols and Bonn: A RESOLUTION concerning prayer in public schools.

WHEREAS, the Supreme Court of the United States has recently decided that the offering of prayers in public schools violated the First Amendment to the Constitution of the United States; and

WHEREAS, this Body, representing all the people of the Commonwealth of Kentucky, favors a return to and a continuation of the heritage and beliefs of this nation,

NOW, THEREFORE,

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky:

Section 1. The Congress of the United States is hereby requested to propose a constitutional amendment to the effect that freedom of religion shall include the right to offer prayer in public schools.

Section 2. The Clerk of the Senate is ordered to transmit copies of this Resolution to every member of the Congress of the United States.

Senator Nichols moved the adoption of **SR 46.** Agreed.

SB 258, by Senator Van Hoose: AN ACT relating to motor vehicle operators' licenses and permits.

SB 259, by Senator Van Hoose: AN ACT relating to compensation of public officials.

SB 260, by Senators Blue, Turner, Gay and Mobley: AN ACT relating to planning and zoning.

Report of Committee

Committee on Rules reported **HB 309, SB 187, HB 118, HB 111, HB 141, HB 99, HB 146, HB 347, HB 325, HB 413, HB 414, HB 314, HB 231, HB 235** with the expression of opinion that same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 309, AN ACT relating to auxiliary police forces.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. The legislative body of any city may by ordinance provide for the establishment or abolishment of an auxiliary police force to perform duties within the city upon such terms and conditions as the legislative body deems proper. The ordinance shall prescribe the number of officers and men of such force, the manner of their appointment, and the rules and regulations that shall govern the powers and duties of the members of such force, including the power of arrest and the power to bear arms.

Section 2. KRS 70.545 is amended to read:

The fiscal court of any county may by order provide for the establishment or abolishment of an auxiliary police force to perform duties within the county upon such terms and conditions as the fiscal court deems proper. The order shall prescribe the number of officers and men of such force, the manner of their appointment, and the rules and regulations that shall govern the powers and duties of the members of such force, including the power of arrest *and the power to bear arms.*

SB 187, AN ACT relating to coroners and the duty of persons finding or possessing a dead body.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

KRS 72.020 is amended to read:

(1) Any person finding or having in his possession the body

of any person slain, drowned or otherwise suddenly killed, or whose death occurred from unknown cause without the attendance of a physician, shall immediately notify the coroner, and shall not remove the body nor anything therefrom until directed to do so by the coroner or other authorized person.

(2) The coroner shall take possession of any objects or articles which, in his opinion, may be helpful in establishing the cause of death, and he can make or cause to be made such tests and examinations of said objects as may be necessary or useful in determining the cause of death. In the event that a criminal prosecution arises, all such objects and articles together with reports of any examinations made upon them, shall be retained by the coroner until their production in evidence is required by the prosecuting authority, unless otherwise directed by written order of the court in which such prosecution is pending.

(3) Upon final disposition of each criminal prosecution under this Act, the court shall by appropriate written order dispose of all objects retained under the provisions of this Act.

HB 118, AN ACT relating to the abuse or injury to children and the jurisdiction to be assumed by County Court sitting in Juvenile Session.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. The purpose of this Act is to provide for the protection of children who have had physical injury inflicted upon them and who are further threatened by the conduct of those responsible for their care and protection and to bring said cases under the purview of the county court sitting in juvenile session. Physicians who become aware of such cases shall report them to the appropriate police authority thereby causing the protective services of the State to be brought to bear in an effort to protect the health and welfare of these children and to prevent further abuses.

Section 2. (1) Any physician, osteopathic physician, or other person having reasonable cause to suspect that a child under the age of 18 brought to his attention has had serious physical injury or injuries inflicted upon him other than by accidental means by a parent or other person responsible for his care, shall report or cause reports to be made in accordance with the provisions of this Act; provided that when the attendance of such a person with respect to a child is pursuant to the performance of services as a member of the staff of an institution he shall notify the person in charge of the institution or his designated delegate who shall report or cause reports to be made in accordance with the provisions of this Act.

(2) An oral report shall be made immediately by telephone or otherwise and followed as soon thereafter as possible by a report in writing to an appropriate police authority, and a copy thereof shall be forwarded to the Department of Child Welfare for investigation. Such reports shall contain the names and addresses of the child and his parents or other persons responsible for his care, if known, the child's age, the nature and extent of the child's injuries (including any evidence of previous injuries), and any other information that the person believes might be helpful in establishing the cause of the injuries and the identity of the perpetrator.

(3) Anyone acting upon reasonable cause in the making of a report pursuant to this Act shall have immunity from any liability, civil or criminal, that might otherwise be incurred or imposed. Any such participant shall have the same immunity with respect to participation in any such judicial proceeding resulting from such report.

(4) Neither the physician-patient privilege nor the husband-wife privilege shall be a ground for excluding evidence regarding a child's injuries or the cause thereof, in any judicial proceeding resulting from a report pursuant to this Act.

(5) Anyone knowingly and willfully violating the provisions of Section 2 of this Act shall be punished by a fine of not less than ten dollars nor more than one hundred dollars.

Section 3. Chapter 208.020 of the KRS is amended to read as follows:

(1) The juvenile session of the county court of each county shall have exclusive jurisdiction in proceedings concerning any child, living, or found, within the county and has not reached his eighteenth birthday:

(a) Who has committed a public offense, except a moving motor vehicle offense, involving a child sixteen years of age or older. The court shall not have jurisdiction in any prosecution of a moving motor vehicle offense involving a child sixteen years of age or older. Juvenile offenders sixteen years of age or older accused of moving motor vehicle offenses shall be treated as any adult offender; provided, however, that the term "moving motor vehicle offense" shall not be deemed to include the offense of stealing or converting a motor vehicle nor operating the same without the owner's consent, nor any offense which constitutes a felony; or

(b) Who does not subject himself to the reasonable control of his parents, teacher, guardian or custodian, by reason of being wayward or habitually disobedient; or

(c) Who is an habitual truant from home or from school; or

(d) Who is found by the court to be dependent, neglected, needy or abandoned.

(2) The court of each county wherein a public offense, as defined in paragraph (a) of subsection (1) of this section, is committed by a child who is a resident of another county of this state, shall have concurrent jurisdiction over such child with the court of the county wherein the child resides, or the court of the county where the child is found. Whichever court first acquires jurisdiction of such child may proceed to final disposition of his case, or, in its discretion may make an order transferring the case to the court of the county of his residence, or the county wherein the offense was committed, as the case may be.

(3) The court of each county shall have exclusive jurisdiction of persons who, and no person shall:

(a) Knowingly encourage, aid, cause or in any manner contribute to the conditions which cause, or to cause a child who has not reached his eighteenth birthday to become delinquent, neglected, dependent, needy or charged with a crime.

(b) Willfully failed to do any act that will directly tend to prevent a child who has not reached his eighteenth birthday becoming delinquent, neglected, dependent, needy, abandoned or charged with a crime.

(4) The court shall have exclusive jurisdiction of persons who and no person shall willfully and unnecessarily expose to the inclemency of the weather, or in any other manner willfully injure in health or limb any child actually or apparently under the age of sixteen years.

(5) The court shall have exclusive jurisdiction of persons who and no person shall for gain or reward employ or cause to be employed, or exhibit, use, or have in his custody for the purpose of exhibiting, or employing, any child actually or apparently under the age of sixteen years, nor shall any person having the care, custody, or control of such child, in any way procure, or consent for gain or reward, to the employment or exhibition of such child, either:

(a) In begging or receiving alms, or in any mendicant occupation;

(b) If the child is a female, in peddling or in any wandering occupation;

(c) In any indecent or immoral occupation or practice;

(d) In the exhibition of any such child when insane, or idiotic; or

(e) In any practice or exhibition of unusual danger to life, limb, health or morals of the child.

(6) Nothing in this chapter shall deprive other courts of the jurisdiction to determine the custody or guardianship of children upon writs of habeas corpus, or to determine the custody or guardianship of children when such custody or guardianship is incidental to the determination of other causes pending in such other courts; nor shall anything in this chapter affect the jurisdiction of circuit courts over adoptions and proceedings for termination of parental rights. The juvenile court shall have no jurisdiction to make permanent awards of custody of a child, but if the court finds an emergency to exist affecting the welfare of a child, it may make temporary orders for its custody, pending the outcome of proceedings in circuit court to determine its permanent custody. Such orders shall be entirely without prejudice to the proceedings for permanent custody of the child, and shall remain in effect until modified or set aside by the court. Upon the entry of a temporary or final judgment in the circuit court, awarding custody of such child, all prior orders of the juvenile court in conflict therewith shall be deemed cancelled.

Section 4. Section 208.990 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any person who violates KRS 208.120 shall be fined not less than one hundred dollars nor more than five hundred dollars, or imprisoned in the county jail for not more than thirty days, or both.

(2) Any person who transports or causes or permits a female child to be transported in violation of subsection (1) of KRS 208.260 shall be fined not less than one hundred dollars nor more than five hundred dollars.

(3) Any person who violates subsection (2) of KRS 208.260 shall be fined not more than one hundred dollars.

(4) (a) Any adult person who violates subsection (3) of KRS 208.020 shall be fined not more than five hundred dollars or imprisoned in the county jail or workhouse not more than twelve months, or both;

(b) Instead of the penalty imposed by paragraph (a) of this subsection, the court may suspend the sentence or release the defendant on probation upon his recognizance, with or without sureties. The defendant may be ordered during the effective period of his probation to make his personal appearance in court from time to time, and shall provide and care for the child as directed by the court, and shall further comply with the orders of the court. If the court is satisfied on information or proof under oath that the defendant has violated the terms of the order, it may revoke the order and sentence him under the original order of conviction.

(5) Any person who violates the provisions of KRS 208.020 (4) (a) shall be fined not more than five hundred dollars or imprisoned in the county jail or workhouse not more than one year, or both.

(6) Any person who violates KRS 208.020 (5) shall, for the first offense, be fined not less than fifty dollars nor more than three hundred dollars, or imprisoned in the county jail or workhouse not more than ninety days, or both; and for any subsequent offense he shall be fined not less than one hundred dollars nor more than five hundred dollars or imprisoned in the county jail or workhouse for not more than one year, or both.

Section 5. The following sections of the KRS are repealed: KRS 199.330, KRS 199.340, KRS 199.990 (1), KRS 199.990 (2), KRS 199.990 (3), KRS 199.990 (4).

HB 111, AN ACT relating to taxation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 92.510 is amended to read:

(1) The supervisors of taxes in each city of the fourth class shall meet in the office of the assessor on the first Monday in May of each year, *and may meet at such time prior to the first Monday in May as they are called upon to meet by the tax assessor in the event the latter shall have completed the taking of the assessment list prior to the first Monday in May, pursuant to KRS 92.490,* and may adjourn from day to day until their work is completed, not exceeding twenty days. Ten days' notice of the place of meeting shall be given by printed notice, and no assessment shall be increased unless the taxpayer, if he lives in the city, has been cited to appear before the supervisors. The assessor shall meet with the supervisors.

(2) The supervisors of taxes shall carefully examine the assessor's books, and correct any errors of the assessor that are found. They shall hear complaints of taxpayers, made in person or by agent or attorney, and may add to, increase or decrease any list of property or the value thereof, or change the name of the person assessed.

(3) Failure or informality in the election of supervisors of taxes,

or in their meetings or proceedings, shall not affect the validity of any tax.

(4) The provisions of subsection (2) of KRS 92.530 shall govern appeals from the action of the supervisors of taxes in cities of the fourth class.

HB 141, AN ACT relating to county officers and employes.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 64.530 is amended to read as follows:

(1) Except as provided in subsections (2) and (3) of this section, the fiscal court of each county shall fix the compensation of every county officer and employe. For the purposes of this section, master commissioners and receivers in counties other than those containing a population of 75,000 or more, and justices of the peace and constables in all counties, shall be deemed to be county officers, and deputies or assistants of county officers shall be deemed to be county employes, but employes of county boards or commissions which are now authorized by law to fix the compensation of their employes shall not be deemed to be county employes for the purposes of this section. In the case of officers compensated from fees, or partly from fees and partly by salary, the fiscal court shall fix the maximum compensation that the officer may receive, from both sources, and also shall have authority to fix the number of deputies and assistants, and the compensation thereof, and the maximum amount that the officer may expend each year for expenses of his office. *In fixing the number of deputies for the county court clerk in counties containing second class cities and having a population of less than 75,000, the fiscal court of each such county, shall authorize at least one deputy for each 5,000 persons residing in such county.* In the case of county officers elected by popular vote, the compensation of any such officer, and of his deputies and assistants, during the term of those in office on June 30, 1950, shall not be fixed at less than that fixed by the law in force and effect on November 1, 1949. In the case of county officers elected by popular vote, for terms commencing after June 30, 1950, the annual compensation of the officer and of his deputies and assistants shall be fixed by the fiscal court not later than the first Monday in May in the year in which such officers are elected, and shall not be changed during the term.

(2) Nothing in this section shall apply to county tax commissioners or their deputies, assistants and expenses, in any county, or to the circuit court clerk, county court clerk, sheriff, jailer, master commissioner or receiver, and their deputies, assistants and expenses, in counties having a population of 75,000 or more.

(3) Justices of the peace serving on a fiscal court in any county, and county commissioners serving on a fiscal court in any county other than one containing a city of the first, second, third or fourth class, shall be paid for their services, out of the county treasury, not to exceed fifteen dollars per day for each day of actual attendance of the meetings of the fiscal court. The fiscal court shall fix the amount to be received within the above limit, but with the exception of the terms that are being served on June 30, 1950, no change of compensation shall be effective as to any member of a fiscal court during his term of office. The compensation of county commissioners serving on fiscal courts in counties containing a city of the first, second, third or fourth class shall continue to be limited as provided in subsections (1), (2), (3) and (4) of KRS 67.110, and nothing in KRS 64.480 to 64.760 is intended to authorize any change in such compensation during the term of any member. County commissioners or justices of the peace shall not receive any compensation for their services on the fiscal court, other than as provided in this section or subsections (1), (2), (3) and (4) of KRS 67.110, nor shall they receive any compensation for serving on committees of the fiscal court.

(4) Circuit court clerks in counties other than those containing a population of 75,000 or more shall receive as compensation per year the maximum compensation allowed by law for circuit court clerks of this Commonwealth, provided fees or funds for this purpose are sufficient. The first deputy shall be allowed to receive a salary not to exceed $6600 per year; the second deputy shall be allowed to receive a salary not to exceed $5400 per year and other deputies shall be allowed to receive a salary not to exceed $4800 per year. Each circuit clerk shall be allowed to fix the amount of the salary of each of his deputy clerks.

Section 2. All fiscal court orders fixing the compensation of officers, deputies and assistants under KRS 64.530 (1) in effect in such counties at the time of the passage of this Act, shall be immediately amended if necessary so as to conform with the provisions of this Act.

HB 99, AN ACT relating to service contracts between political subdivisions.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 79.110 is amended to read:

Notwithstanding any existing means provided by law for joint [city-county] functions *by any political subdivisions of this state, the* *governing bodies of any two or more political subdivisions within the same county, which may include the fiscal court,* [the fiscal court of any county and the governing body of any city within that county] may enter into contractual arrangements with each other for the performance of governmental services *anywhere* within *the boundaries of* the county [, both within and without the boundary of the city].

Section 2. KRS 79.120 is amended to read:

Any contractual arrangement entered into under KRS 79.110 shall:

(1) Name the service *or services* to be performed and clearly defined same;

(2) State which subdivision of government shall render the service *or services;*

(3) Define the area within which the service *or services* contracted for shall be performed;

(4) Provide the means of payment of the cost of the service *or services;*

(5) *When the county government is one of the contracting parties,* take cognizance of the fact that city residents are county residents and taxpayers to both governments, and provide for an equitable distribution of the cost of providing the service *or services.*

Section 3. KRS 79.140 is amended to read:

The governing body of any other *political subdivision* [city] within *the boundaries of* the county, *which may include the fiscal court,* may, with the mutual consent of [the fiscal court and] the governing body of each *political subdivision* [city] constituting a party thereto, become a party to and beneficiary of a contract entered into under authority of KRS 79.110. The inclusion of a third-party *political subdivision* [city] in any such contract shall be by a writing in compliance with KRS 79.120.

Section 4. KRS 79.150 is amended to read:

(1) The governing body of any city electing to render or to receive governmental services under a contract authorized by KRS 79.110 to 79.180 may, by ordinance, abolish any office rendered unnecessary thereby, or may, by ordinance, declare any such office vacant during the term of the contract. Any such office occupied by an official elected by the qualified voters of the city shall not be abolished or declared vacant before the end of the term of the incumbent.

(2) The fiscal court or the appointing authority of any county *or other political subdivision* electing to render or to receive governmental services under a contract authorized by KRS 79.110 to 79.180 may declare vacant for the term of the contract any office rendered

unnecessary thereby. Any such office occupied by an officer elected by the qualified voters of the county *or other political subdivision* shall not be declared vacant before the end of the term of the incumbent.

Section 5. KRS 79.160 is amended to read:

(1) *When the governing bodies of any two or more political subdivisions within the same county, which may include the fiscal court,* [when the fiscal court of any county and the governing body of any city within that county] enter into a contract for the rendering of governmental services [to the county by the city or to the city by the county], the contract shall make such provision for the transfer of employes from the departments of the *one or more* subdivision *or subdivisions* of government receiving the service to the departments of the subdivision of government rendering the service as may effect the efficient functioning of the plan for service to the people.

(2) In the event that in accordance with the provisions of subsection (1) of this section, employes are transferred to a governmental department subject to any civil service laws or regulation, those transferred employes shall during the term of the contract be subject to any such civil service laws or regulations. Such employes, when transferred, shall be considered as having satisfied all of the qualifications for obtaining original appointment under applicable civil service laws and regulations, and shall be considered as having been given probationary appointments as defined in such laws or regulations as of the date they are so placed in the classified service.

Section 6. KRS 79.170 is amended to read:

Any contract entered into under the provisions of KRS 79.110 to 79.180 shall be for a term of at least two years and not more than four years. At least one year before the termination date of any such contract, each contracting party shall in writing notify the other *or others* of its intention to enter into a new contract concerning the services rendered and received or of its intention to terminate the arrangements.

HB 146, AN ACT relating to cities.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 81.410 is amended to read:

(1) Any two or more contiguous *or non-contiguous but adjacent* cities in the Commonwealth may merge or consolidate into one city by a majority vote of each city at elections called for such purpose.

(2) The Legislative *body* [bodies] of each of the cities desiring

to merge or consolidate shall enact *an ordinance* [ordinances] proposing the merger or consolidation and calling elections in the respective cities to determine the desire of the voters.

Section 2. KRS 81.420 is amended to read:

(1) Such elections shall be held not less than thirty days nor more than sixty days after the last of said ordinances is enacted. The qualifications of voters and all other matters in regard to the election shall be governed by the general election laws. The question shall be submitted in substantially the following form:

"Are you in favor of merging or consolidating the city of ------------------and the city of---------------into one city, to be known as the city of-----------------?"

Yes ----------------------

No ----------------------

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(2) If a majority of the legal votes cast at such election in *each* [all] of the cities, each city being a separate unit in the elections, proposing to merge or consolidate shall favor the merger or consolidation, then thirty days after the certification of the results of such election said cities shall become one city of the class of the largest of the old cities, but if a majority of the legal voters in *any* [either] city vote "No", the merger or consideration shall fail.

Section 3. KRS 81.440 is amended to read:

A merger or consolidation shall not impair contractual obligations of *any* [either] of the combined cities. Tax levies authorized for the payment of interest and the retirement of bonds or to create sinking funds for such purposes shall continue to be levied and collected over the same area by and for the new governing body in accordance with the laws under which the levies were originally made until all bonded obligations of the old city have been retired.

HB 347, AN ACT revising and establishing provisions for the sale of real property and reversions and remainders therein by public or private sale and the reinvestment of the proceeds.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 389.030 is amended to read:

(1) In an equitable action by the owner of a particular estate of freehold in possession, or by a guardian or committee as provided in KRS 389.010, against the owner of the reversion or remainder, though he be an infant or of unsound mind, and against the owner

of the particular estate if he be an infant or of unsound mind; or, if the remainder be contingent, against the person, if in being, in whom it would have vested if the contingency had happened before commencement of the action, though he be an infant or of unsound mind, and against the owner of the particular estate if he be an infant or of unsound mind—real property may be sold for investment of the proceeds in other real property.

(2) The court ordering the sale shall, by its commissioner, retain the custody and control of the fund realized by the sale until the same is reinvested in real estate, or in such other property as the funds of persons under disability may be invested in authority of law, and the court shall order the money to be paid, by its commissioner, directly to the person from whom the purchase for reinvestment is made; or the court may authorize payment of the proceeds of sale of land of an infant or person of unsound mind to his guardian or committee as provided in subsection (10) (c) of KRS 389.010.

(3) The court may in its discretion authorize the consummation of a private sale, provided the complaint shall set forth the price and the terms thereof; and provided the Chancellor finds the terms and price satisfactory. The proceeds shall remain in the custody of the court, as set forth in (2) above until reinvested as provided in (2) above. The deed shall be executed and delivered by the commissioner and if the property is sold on terms, then the note shall be made payable to the Commissioner and the vendor's lien securing same shall be retained in the name of the Commissioner, who may make releases in whole or in part as directed by the Court.

Section 2. This Act shall become effective on July 1, 1964.

HB 325, AN ACT relating to public library districts.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. As used in this Act, unless the context requires otherwise:

(1) "District" means "public library district";

(2) "Board" means the board of trustees of a public library district;

(3) "County" means a county not containing a city of the first class.

Section 2. All of the territory in a county, or in two or more counties contiguous to each other may be organized into a public library district for the purpose of levying a tax to pay for establishing, equipping, maintaining and administering libraries, or for contracting for library service from any existing library.

Section 3. Districts shall be organized in the following manner:

(1) Upon the filing of a duly certified petition of fifty-one percent or more of the number of duly qualified voters who voted in the last general election in each county to be included within the territorial limits of the proposed district, the fiscal court of each county in the proposed district shall adopt a resolution ordering the levy of a tax of not more than twenty cents on each one hundred dollars worth of property assessed for local taxation. Such petition shall be filed with the fiscal court in each county in the proposed district not later than ninety days after the date of the first signature on the petition. A certified copy of the order of the fiscal court shall be filed within thirty days with the county court clerk who will add the levy to the next annual tax bill of the county or counties concerned.

(2) The petition shall be in substantially the following form:

The following duly qualified voters of (insert name of county or counties) hereby petition the fiscal court of each county concerned to establish a public library district for (insert name of county or counties) which shall have the authority to impose a special ad valorem tax of (insert exact amount) on each one hundred dollars worth of property assessed for local taxation in the district for the maintenance and operation of the (insert name) public library district.

(3) The petition shall contain the following: The name and address of each petitioner and the date upon which he signed the petition.

(4) All special ad valorem taxes authorized by this Act shall be collected in the same manner as are other county ad valorem taxes in each county affected and shall be turned over to the board as the governing body of the district. The special ad valorem tax shall be in addition to all other ad valorem taxes.

Section 4. Upon the creation of a district, the fiscal court of each county in the district shall at once notify the Department of Libraries of the establishment of the district. The Department of Libraries shall then recommend to the county judge of each county in the district the names of suitable persons from that county to be appointed to the board. The Department of Libraries in recommending persons to the county judge for appointment to the board shall recommend twice as many persons for each county as the county is entitled to have members appointed, and the county judge shall immediately make his selection from those recommended. Where the district consists of one county, the county judge shall appoint five persons from that county as members. The Department of Libraries shall prescribe by regulation the number of board members when the district consists of more than one county, provided that the board shall consist of not less than one nor more than four members from each county, each county having such number of members as the proportion of its population bears to the total population in the district, and that the total membership of the board consist of not less than five members. Where a county joins an already established district, the Department of Libraries shall recommend to the county judge of each county included in the new district twice as many persons for appointment to the board as the county is entitled to have appointed, and the county judge shall select the members for his county from this list. The terms of the members of the counties composing the previously existing district shall expire immediately upon the organization of the new board.

Section 5. (1) One-third of the persons first appointed to the board shall serve for a term of two years, one-third for a term of three years and one-third for a term of four years. Where the board consists of a number of members not divisible by three, one-third of the next higher number divisible by three, shall serve for a term of two years, one-third for a term of three years and the remaining number shall serve for a term of four years. Thereafter, as their terms expire, their successors shall be recommended and appointed in the same manner, but for a term of four years each. The members shall hold office until their respective successors are appointed and qualified.

(2) Any vacancy occurring in the terms of office of members shall be filled for the unexpired term by the county judge by appointment on recommendation of the Department of Libraries of two names for each vacancy from the county in which the vacancy occurred.

Section 6. Each board shall be a body corporate under the name and style of "____________ Public Library District Board of Trustees." The members shall, as soon as possible after their appointment, adopt a seal and organize by electing a president, a secretary and a treasurer, each to serve for a term of two years and until his successor is elected and qualified. The treasurer shall give bond to the Commonwealth for the faithful performance of his duties, in such sum and form and with such sureties as the board shall approve. A majority of the board shall constitute a quorum.

Section 7. The members of the board shall not receive compensation for their services, but shall be reimbursed for their actual expenses necessarily incurred in the performance of their duties, upon vouchers duly approved by the board, signed by the secretary and countersigned by the president.

Section 8. (1) The board shall establish, equip and maintain libraries or contract with existing libraries for the furnishing of library service for the district and do all things necessary to provide efficient library service. No district shall establish a library unless the plans for the establishment, equipment and maintenance have been approved by the Department of Libraries. No contract shall be made unless the libraries contracting to furnish service are libraries approved by the Department of Libraries for this purpose. The board shall meet annually and at such other times as it deems necessary.

(2) The district, as a body corporate, by and through the board may:

(a) Sue and be sued, complain and defend, purchase, or lease grounds, purchase, lease, occupy or erect appropriate buildings for the use of the district libraries and their branches, sell and convey real and personal property for and on behalf of the district, receive gifts of real and personal property for the use and benefit of the district, the same when accepted to be held and controlled by the board according to the terms of the deed, gift, devise or bequest of such property;

(b) Borrow money on the credit of the board in anticipation of the revenue to be derived from taxes levied by the district for the fiscal year in which the money is borrowed, and to pledge the taxes levied for the district for the payment of the principal and interest of the loan. The interest paid shall not exceed six percent per annum and the principal to be repaid annually shall not exceed fifty percent of the anticipated revenue for the fiscal year in which the money is borrowed.

(c) Establish by-laws it deems necessary and expedient to define the duties of officers, assistants or employes and make all necessary rules and regulations governing libraries and library service within the district.

(3) The board in exercise of its powers shall be guided by the regulations and requirements of the Department of Libraries.

(4) The powers set forth in this section shall not be construed to limit, restrict or modify any powers or authority granted by any other part of this Act or any other law not in conflict with the provisions of this section.

Section 9. The board shall appoint a district librarian and such assistant librarians as it deems necessary. The district librarian shall be certified in accordance with the provisions of KRS 171.240 to 171.300.

Section 10. The treasurer of the board shall:

(1) Have the custody of all money, securities and obligations belonging to that district, and shall disburse money only for the uses and purposes of the district and in the manner prescribed by the by-laws on itemized vouchers allowed by the board, signed by the secretary and countersigned by the president;

(2) Keep a full and accurate account of all receipts and payments in the manner directed by the by-laws, and such other accounts as the board prescribes;

(3) Render statements of accounts of the several books, funds and property in his custody whenever required by the board;

(4) Have all accounts and records fully made up to the last day preceding the annual meeting, and present the same to the board at its annual meeting.

Section 11. Every district established under this Act shall at all reasonable times keep open for the inspection of the Auditor of Public Accounts all of its records and books of accounts.

Section 12. The fiscal year of a district shall commence July 1 and close on June 30.

Section 13. Within sixty days after the close of each fiscal year the board shall make a written report to the Department of Libraries. A copy of this report shall be filed with the county clerk of each county within the district. The report shall contain:

(1) An itemized statement of the various sums of money received for the district;

(2) An itemized statement of expenditures from the fund;

(3) A statement of the property acquired by devise, bequests, purchase, gift or otherwise during the fiscal year;

(4) A statement of the character of library service furnished to the district during the fiscal year; and

(5) Any other statistics or information requested by the Department of Libraries.

Section 14. (1) The board may, in its discretion, employ or retain a regularly licensed attorney to advise them on all matters pertaining to their duties and shall have the discretion to delegate such authority to said attorney not forbidden by law. The attorney so employed or retained shall attend all meetings of the board, except executive sessions when the board does not desire his presence, whenever the board requests him to attend and shall advise the board on all legal matters on which he is requested to give advice.

(2) The board may fix the salary or compensation of the attorney provided for in subsection (1) of this section, in its descretion.

Section 15. Public library district librarians shall be required to attend all library workshops sponsored by the Department of Libraries, the actual and necessary expenses incident thereto being a charge against the district library fund.

Section 16. Public library districts may, in addition to all other methods provided by law, acquire, construct, and improve library facilities through the issuance of revenue bonds under the terms and provisions of KRS 58.010 to 58.140.

Section 17. (1) The special ad valorem tax rate for the maintenance and operation of a public library district provided for by this Act shall not be increased or decreased unless a petition requesting an increase or decrease in the tax rate of a specifically stated amount is signed by 51% of the number of duly qualified voters voting at the last general election in each county in the district. Such petition shall be filed with the fiscal court in each county in the district not later than ninety days after the date of the first signature. The fiscal court shall order the court to increase or decrease the ad valorem tax, as stated in the petition.

The petitions shall read, "The following duly qualified voters of (insert name of county or counties) hereby petition the fiscal court of each county concerned to increase (or decrease) the special ad valorem tax from (insert exact amount) to (insert exact amount) on each one hundred dollars worth of property assessed for local taxation in the district for the maintenance and operation of the (insert name) public library district."

The petititon shall contain the following: The name and address of each petitioner and the date upon which he signed the petition.

(2) Any increase provided for in subsection (1) of this section shall not exceed twenty cents on each one hundred dollars of the assessed valuation of all property in the district.

Section 18. Counties outside of any existing district, and contiguous thereto, may be annexed to the district in the following manner.

(1) Upon filing with the fiscal court of a duly certified petition of fifty-one percent of the duly qualified voters voting at the last general election, the fiscal court of each county in the district and each county proposed to be annexed shall adopt a resolution annexing the territory to the district. A certified copy of the order of the fiscal court shall be filed with the county clerk within the next thirty days.

(2) The petition shall be in substantially the following form: "The following duly qualified voters of (insert name of county or counties) petition their respective fiscal courts to annex the following described territory (here describe the territory) to the (name district) public library district with the authority to levy an ad valorem tax of (state exact amount) on each one hundred dollars worth of property subject to local taxation in the above stated territory."

Section 19. A district may be dissolved in the following manner:

(1) Upon filing of a duly certified petition of fifty-one percent of the number of qualified voters who voted in the last general election in the district, the fiscal court of each county in the district shall adopt a resolution to dissolve a library district.

(2) The petititon shall be in substantially the following form: "The following qualified voters in (insert name of county or counties) favor dissolving the (insert name of district) public library district." It shall be presented to the fiscal court within ninety days after having been signed by the first petitioner.

(3) A certified copy of the order of the fiscal court shall be filed with the county clerk.

(4) The county clerk or clerks in the district will thereupon remove the tax levy from the tax bills of the property owners of the district and the district shall be dissolved.

HB 413, AN ACT amending the Compact between the Commonwealth of Kentucky and the Commonwealth of Virginia relating to the Breaks Interstate Park.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 148.220 of the Kentucky Revised Statutes is amended to read as follows:

The Governor is hereby authorized and directed to execute, on behalf of the Commonwealth of Kentucky, the following compact with the Commonwealth of Virginia which is hereby approved, ratified and enacted into law:

BREAKS INTERSTATE PARK COMPACT

Purusant to authority granted by an Act of the 83rd Congress of the United States, being Public Law 275, approved August 14, 1953, the Commonwealth of Kentucky and the Commonwealth of Virginia do hereby covenant and agree as follows:

ARTICLE I.

The Commonwealth of Kentucky and the Commonwealth of Virginia agree to create, develop and operate an interstate park to be known as The Breaks Interstate Park, which shall be located along the Russell Fork of the Levisa Fork of the Big Sandy River and on adjacent areas in Pike County, Kentucky, and Dickenson and Buchanan counties, Virginia. Said park shall be of such area and of such character as may be determined by the commission created by this compact.

ARTICLE II.

There is hereby created The Breaks Interstate Park Commission, which shall be a body corporate with the powers and duties set forth herein and such additional powers as may be conferred upon it by subsequent action of the appropriate authorities of Kentucky and Virginia. The commission shall consist of three commissioners from each of the two states, each of whom shall be a citizen of the state he shall represent. Members of the commission shall be appointed by the Governor. Vacancies shall be filled by the Governor for the unexpired term. The term of one of the first commissioners appointed shall be for two years, the term of another for three years, and the term of the third for four years. Their successors shall be appointed for terms of four years each. Each commissioner shall hold office until his successor is appointed and qualified. An officer or employe of the state, a political subdivision or the United States government may be appointed a commissioner under this Act.

ARTICLE III.

The commission created herein shall be a joint corporate instrumentality of both the Commonwealth of Kentucky and the Commonwealth of Virginia for the purpose of effecting the objects of this compact, and shall be deemed to be performing governmental functions of the two states in the performance of its duties hereunder. The commission shall have power to sue and be sued, to contract and be contracted with, to use a common seal and to make and adopt suitable bylaws, rules and regulations. The commission shall have the authority to acquire by gift, purchase or otherwise real estate and other property, and to dispose of such real estate and other property. Each Commonwealth agrees that it will *authorize the Commission to* exercise the right of eminent domain to acquire property located within each Commonwealth required by the Commission to effectuate the purposes of this Compact.

ARTICLE IV.

The commission shall select from among its members a chairman and a vice-chairman, and may select from among its members a secretary and treasurer or may designate other persons to fill these positions. It may appoint, and at its pleasure remove or discharge, such officers and legal, clerical, expert and other assistants and employes as may be required to carry the provisions of this compact into effect, and shall fix and determine their duties, qualifications and compensation. It may establish and maintain one or more offices for the transaction of its business, and may meet at any time or place. A majority of the commissioners present shall constitute a quorum for the transaction of business. The commissioners shall serve without compensation, but shall be paid their expenses incurred in and incident to the performance of their duties. They shall take the oath of office required of officers of their respective states.

ARTICLE V.

Each Commonwealth agrees that the officers and departments of each will be authorized to do all things falling within their respective jurisdictions necessary or incidental to the carrying out of the compact in every particular. The commission shall be entitled to the services of any state officer or agency in the same manner as any other department or agency of this state. The commission shall keep accurate records, showing in full its receipts and disbursements, and said records shall be open at any reasonable time to the inspection of such representatives of the two Commonwealths as may be duly constituted for that purpose. The commission shall submit annually and at other times as required such reports as may be required by the laws of each Commonwealth or by the Governor thereof.

ARTICLE VI.

The cost of acquiring land and other property required in the development and operation of The Breaks Interstate Park and constructing, maintaining and operating improvements and facilities therein and equipping same may be defrayed by funds received from appropriations, gifts, the use of money received as fees or charges for the use of said park and facilities, or by the issuance of revenue bonds, or by a combination of such sources of funds. The commission may charge for admission to said park, or make other charges deemed appropriate by it and shall have the use of funds so received for park purposes. The commission is authorized to issue revenue bonds, which shall not be obligations of either state, pursuant to procedures which shall be in substantial compliance with the provisions of laws of either or both states governing the issuance of revenue bonds by governmental agencies.

ARTICLE VII.

All money, securities and other property, real and personal, received by way of gift or otherwise or revenue received from its operations may be retained by the commission and used for the development, maintenance and operation of the Park or for other Park purposes.

The commission shall not pledge the credit of either Commonwealth except by and with the authority of the General Assembly thereof.

ARTICLE VIII.

This compact may be amended from time to time by the concurrent action of the two Commonwealths parties hereto.

Section 2. Section 148.230 of the Kentucky Revised Statutes is amended to read as follows:

(1) All governmental agencies of the Commonwealth of Kentucky are authorized to cooperate with The Breaks Interstate Park Commission created by the compact approved by KRS 148.220, it being the policy of this Commonwealth to perform and carry out the compact and to accomplish the purposes thereof.

(2) The State Property and Buildings Commission is authorized to make appropriations to the Breaks Interstate Park Commission for the same purposes it is authorized to make expenditures for other state agencies. The *Breaks Interstate Park Commission* [State Property and Buildings Commission] is authorized to exercise the right of eminent domain on behalf of the Commonwealth of Kentucky in acquiring land or other property required in the establishment or enlargement of The Breaks Interstate Park.

Section 3. The Compact approved herein and other provisions of this act dependent thereon shall become effective upon ratification and approval of the Compact by the General Assembly of the Commonwealth of Virginia and upon approval of this Compact by the Congress of the United States.

Until such time as the Commonwealth of Virginia and the Congress of the United States approve the Compact as amended by the General Assembly in regular session in 1964, the Compact adopted under Chapter 82 of the 1954 Acts shall prevail.

HB 414, AN ACT relating to the Breaks Interstate Park Commission.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

The Breaks Interstate Park Commission may acquire by condemnation in the manner provided in KRS 416.010 to 416.080 such lands lying within this state as may be necessary to be acquired for purposes of the Breaks Interstate Park. Deeds to land in this state comprising the Breaks Interstate Park shall be in the name of the Breaks Interstate Park Commission, KRS 56.030 and 148.010 (2) notwithstanding. Subject to the approval of the Governor, the State Property and Buildings Commission is hereby empowered to convey by deed to the Breaks Interstate Park Commission all right, title and interest of the Commonwealth in and to all real property now held in behalf of this Commonwealth and comprising the Breaks Interstate Park.

HB 314, AN ACT relating to trespass on property.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 433.720 is amended to read:

(1) Any person who, without the consent of the owner, enters any orchard, game preserve, ginseng garden, [farm] or other premises enclosed by a fence not less than seven feet in height, after the owner has conspicuously displayed on the premises on a board not less than twelve by twenty-four inches in size the word "posted"; and any person who damages any such fence enclosing such premises shall be confined in the penitentiary for not less than one nor more than three years.

(2) Any person who, without the consent of the owner willfully enters or goes upon the enclosed farm premises of another, whereon the owner, or other person in charge of the premises has previously posted plainly written signs or warnings thereon, where they may be readily seen, no more than four hundred yards apart along or near the boundaries of the premises, using the words "no trespassing," "keep out" or "posted" or words of similar meaning or any person who molests, injures, removes or destroys any such posted sign or warning by the owner or person in charge of the premises shall be punished by a fine of not more than five hundred dollars, or by confinement in the county jail for not more than six months, or both.

HB 231, AN ACT relating to construction of roads with county funds.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 177.050 of the Kentucky Revised Statutes is amended to read as follows:

If any county desires to construct any part of a public road before the state is prepared to construct it, such county shall ask the department for permission to do so. When such request is made the department shall immediately investigate the request, and if they find that the county has funds available to construct such road and will pay for the construction thereof, the department may take up the construction of such road, as soon as the county has taken such steps as the department requires to make available subject to its order sufficient funds to pay for the construction of the road. When the county has satisfied these requirements, the department may proceed to construct the road in the same way and under the same regulations that it constructs other roads. The department shall keep careful account of the money advanced by the county to the state, and when the project of which the road is a part has been completed, the states shall refund to the county the money advanced upon proper certification of the department, *if the road is to be accepted by the Commissioner of Highways as a part of the state primary road system.*

HB 235, AN ACT relating to the creation and establishment of public road districts in counties containing cities of the first class or second class and in cities of the sixth class located in counties containing cities of the first class or second class.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

A public road district may be established in the following manner: Twenty-five percent of the persons owning real property in a proposed road district may file a petition in the County Court requesting the creation of such a road district. The petition shall include a map of the proposed district and the roads and sidewalks or other improvements to be constructed, improved or maintained. The map shall show the boundary lines of the road district, and the petition shall include the names of owners and a description of each tract of property in the proposed district, the approximate cost of the improvements and future maintenance to be borne by each property owner. The map and these estimates of cost shall be prepared by an engineer licensed by the Commonwealth pursuant to KRS Chapter 322.

The County Court may authorize creation of such a road district, after due notice to the property owners listed in the petition and a public hearing before the Court.

Calendar

SB 212, HB 280, HB 117, HB 270, HB 271, with Committee Amendment, **SB 125, SB 126, SB 185, SB 145, HB 266, HB 250, HB 22, HB 27, SB 248, SB 247, HB 133, SB 246, SB 254, SB 193, SB 252, SB 249** taken from the Calendar and ordered read at length for the second time. Senator Gardner moved that they be read by title only. Agreed by a majority of members elected. Ordered placed in the Orders of the Day.

Reference of Bills

The Clerk announced that the following bills had been referred to the Rules Committee:

SB 250, SB 251, SB 253, SB 255, SB 256, SB 257, HB 3, HB 11, HB 73, HB 145, HB 147, HB 256, HB 330, HB 350, HB 371.

Orders of the Day

SB 243 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the Previous Question on **SB 243.** Agreed.

On the roll call the vote was yeas 33—Billington, Blue, Bonn, Brand, Brizendine, Cobb, Derickson, Duffy, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, Howard, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Van Hoose, Ware. Nays 0.

SB 243 was passed and the title agreed to.

Senator Gardner moved that the vote by which **SB 243** was passed be reconsidered and that said motion be laid on the table. Agreed.

HB 61 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the Previous Question on **HB 61.** Agreed.

On the roll call the vote was yeas 31—Billington, Blue, Bonn, Brand, Brizendine, Buckman, Duffy, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, Howard, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Ware. Nays 1—Van Hoose.

HB 61 was passed and the title agreed to.

Senator Gardner moved that the vote by which **HB 61** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 220 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Kinkead moved the Previous Question on **SB 220.** Agreed.

On the roll call the vote was yeas 32—Billington, Blue, Bonn, Brand, Brizendine, Buckman, Duffy, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, Howard, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Van Hoose, Ware. Nays 0.

SB 220 was passed and the title agreed to.

Senator Kinkead moved that the vote by which **SB 220** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 221 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Kinkead moved the Previous Question on **SB 221**. Agreed.

On the roll call the vote was yeas 30—Billington, Blue, Bonn, Brand, Brizendine, Buckman, Duffy, Engle, Fuqua, Gardner, Garrett, Gay, Howard, D. Johnson, F. Johnson, Kelly, Kinkead, Kiser, Layne, Mann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Van Hoose, Ware. Nays 0.

SB 221 was passed and the title agreed to.

Senator Kinkead moved that the vote by which **SB 221** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 244 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Howard offered Amendment #1 to **SB 244** and moved its adoption. Agreed.

Amend printed copy of Senate Bill No. 244 on page 32, line 10, by: Deleting "without security" and inserting in lieu thereof the words "made at rates in excess of those permitted by KRS 360.010"

And on page 35, lines 10 through 28; page 36, lines 1 through 28; page 37, lines 1 through 28; page 38, lines 1 through 13, by deleting in their entirety and inserting in lieu thereof the following:

"Section 27. (1) Savings and loan associations are authorized to make loans secured by a first lien on real estate and at a rate or rates not in excess of that provided by KRS 360.010 and 360.025.

(2) (a) Savings and loan associations may make property improvement loans not secured by a first lien on real estate, at variable rates of interest, but not in excess of those rates provided by Title I of the Federal Housing Act of 1934, as amended, for insured loans; or not in excess of those rates permitted for property improvement loans under the Servicemen's Readjustment Act of 1944, as amended, for guaranteed loans; or in the case of loans not so insured or not so guaranteed, the rates may not exceed $6.00 per $100.00 per annum on the first $2,000.00 of the loan and $5.00 per $100.00 per annum on the remaining $1,500.00 of such property improvement loans; and such charges may be made in advance; provided that such property improvement loans shall be repayable in substantially equal installments over a period not exceeding five years.

(b) In addition to the charge permitted by this subsection, no further amount shall be directly or indirectly charged, contracted for, or received on any such property improvement loan, except lawful fees actually paid to a public officer for filing, recording or releasing any instrument securing the loan and delinquent charges as hereinafter set out.

(c) Delinquency charges may be made not to exceed five cents for each dollar of each installment more than ten days in arrears, and only one delinquency charge shall be made on any one installment. No delinquency charge shall exceed five dollars on any one installment. In addition to such delinquency charges, attorney's fees not exceeding fifteen percent of the unpaid balance and court costs may be collected, provided that the note is referred to an attorney not a salaried employe of the holder for collection.

(d) The association shall permit the borrower to repay his loan in whole or in part at any time. If a loan is paid in full prior to maturity, the association institution shall make a rebate at a rate not less than six percent per annum of the amount paid in advance of the due date, if the maximum financing charge permitted hereunder has been taken. If a lesser charge has been taken, the rebate shall be at not less than a proportional rate. Provided, however, the lending institution shall be permitted in computing rebates to retain a minimum charge of ten dollars to cover its acquisition costs and where the amount of credit for anticipation of payment is less than one dollar, no rebate need be made.

(e) In the case of loans made under this subsection the savings and loan association shall not take any assignment, pledge or transfer of wages to be earned or paid in the future, nor any first lien or first mortgage on real estate as security, except such lien as is created by virtue of a judgment or decree.

(f) No association making loans under this subsection shall split up or divide a loan or permit any person to become obligated to it under more than one contract of loan at the same time for the purpose of obtaining a greater charge than would otherwise be permitted by this subsection.

(g) Every note evidencing a loan made under this subsection shall contain the following information and provisions: The original principal amount of the loan excluding any charge made under this subsection; a statement of the total charge for the loan; the amount and the date of each installment; the date of final maturity; an agreement that the borrower may repay the loan in whole or in part at any time, and that if the loan is paid in full before maturity, the borrower will receive a refund of the unearned portion of the charge as required by this subsection. At the time the loan is made, the association shall give the borrower either a copy of the note, or a statement of the transaction containing the provisions and information required to be contained in the note. The association shall deliver a receipt for each payment.

(h) In advertising for loans subject to this subsection, every advertisement shall conform to the following requirement: Any statement of the amount of the loan shall be the original principal amount showing in detail any charge made under this subsection.

(i) KRS 288.420, 288.620 and 360.010 shall not apply to loans made under authority of this subsection, but said sections shall remain in full force and effect for all other purposes. Nothing in this subsection shall be construed to impair the validity or effect of said sections with respect to loans other than those made pursuant to this subsection nor shall anything in this section be construed to impair the validity or effect of KRS 360.025.

(j) Any contract of loan in the making or collection of which any act shall have been done which constitutes a willful violation of any provisions of this subsection shall be void, and the savings and loan association shall have no right to collect or receive any interest or charges whatsoever on such loan, but the unpaid principal of the loan shall be paid in full to the savings and loan association."

Senator Howard moved the Previous Question on **SB 244**, as amended. Agreed.

On the roll call the vote was yeas 29—Billington, Blue, Bonn, Brizendine, Buckman, Duffy, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, Howard, D. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, McCann, McGinty, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Van Hoose, Ware. Nays 0.

SB 244, as amended, was passed and the title agreed to.

Senator Howard moved that the vote by which **SB 244**, as amended, was passed be reconsidered and that said motion be laid on the table.

HB 208 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the Previous Question on **HB 208**. Agreed.

On the roll call the vote was yeas 31—Billington, Blue, Bonn, Brand, Brizendine, Buckman, Duffy, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, D. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Van Hoose, Ware. Nays 0.

HB 208 was passed and the title agreed to.

Senator Gardner moved that the vote by which **HB 208** was passed be reconsidered and that said motion be laid on the table.

HB 210 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Kelly moved the Previous Question on **HB 210**. Agreed.

On the roll call the vote was yeas 30—Billington, Blue, Bonn, Brand, Brizendine, Buckman, Duffy, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, D. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Miller, Newberry, Nichols, Palmer, Raybourne, Spence, Van Hoose, Ware. Nays 0.

HB 210 was passed and the title agreed to.

Senator Kelly moved that the vote by which **HB 210** was passed be reconsidered and that said motion be laid on the table.

SB 157 taken from Orders of the Day, with Committee Amendment attached thereto, and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Buckman moved the adoption of the Committee Amendment to **SB 157**. Agreed.

Said Committee Amendment to **SB 157** is as follows:

Amend printed copy of Senate Bill 157 on page 2, line 13, by: deleting the words "paid into the county treasury" and inserting in lieu thereof "retained by the court to apply to any future damages resulting from the act or acts of said child before he reaches his eighteenth birthday, at which date the remaining proceeds shall be returned to the parent or guardian."

Senator Buckman moved the Previous Question on **SB 157**, as amended. Agreed.

On the roll call the vote was yeas 28—Billington, Blue, Bonn, Brand, Buckman, Duffy, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, Howard, D. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McCann, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Ware. Nays 4—McGinty, Spence, Swope, Van Hoose.

SB 157, as amended, was passed and the title agreed to.

Senator Buckman moved that the vote by which **SB 157**, as amended, was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 230 taken from Orders of the Day, with the Committee Amendments attached thereto, and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware offered Committee Amendment #1 to **SB 230** and moved its adoption. Agreed.

Said Committee Amendment #1 to **SB 230** is as follows:

Amend printed copy of Senate Bill 230 on page 2, line 18, by: striking the words "*or real estate beneath or adjacent thereto*"

Senator Ware offered Committee Amendment #2 to **SB 230** and moved its adoption. Agreed.

Said Committee Amendment #2 to **SB 230** is as follows:

Amend printed copy of Senate Bill 230 on page 3, line 6, by: making the following tyographical corrections: by deleting *"airport"* and inserting in lieu thereof the word *"airboard"* and on page 11, line 25, by deleting the word *"owed"* and inserting in lieu thereof the word "owned"

Senator Ware offered Committee Amendment #3 to **SB 230** and moved its adoption. Agreed.

Said Committee Amendment #3 to **SB 230** is as follows:

Amend printed copy of Senate Bill 230 on page 3, line 14, by: deleting the words *"desirable or appropriate"* and on page 9, line 28, by deleting the words *"desirable or appropriate"* and removing the brackets from the word "or" preceding the word "desirable" and on page 10, line 2, by deleting the words *"or appropriate"* and on page 11, line 5, by deleting the words *"desirable or appropriate"* and on page 12, line 10, by deleting the words *"desirable or appropriate"*

Senator Ware offered Committee Amendment #4 to **SB 230** and moved its adoption. Agreed.

Said Committee Amendment #4 to **SB 230** is as follows:

Amend printed copy of Senate Bill 230 on page 1, lines 6 & 7, by: deleting the words *"twenty-four hours"* and inserting in lieu thereof the words *"seven days"* and on page 1, line 9, by striking the words *"hour and minute"* and inserting in lieu thereof *"approximate time"*

Senator Ware moved the Previous Question on **SB 230,** as amended. Agreed.

On the roll call the vote was yeas 28—Billington, Blue, Bonn, Brand, Duffy, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, D. Johnson, Kelly, Kidwell, Kiser, Layne, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Van Hoose, Ware. Nays 0.

SB 230, as amended, was passed and the title agreed to.

Senator Ware moved that the vote by which **SB 230,** as amended, was passed be reconsidered and that said motion be laid on the table. Agreed.

HB 38 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Swope moved the Previous Question on **HB 38.** Agreed.

On the roll call the vote was yeas 29—Billington, Blue, Bonn, Brand, Duffy, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, D. Johnson, Kelly, Kidwell, Kiser, Layne, Mann, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Van Hoose, Ware. Nays 0.

HB 38 was passed and the title agreed to.

Senator Swope moved that the vote by which **HB** 38 was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 82 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Garrett moved the Previous Question on **SB** 82. Agreed.

On the roll call the vote was yeas 31—Billington, Blue, Bonn, Brand, Buckman, Duffy, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, Howard, D. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Van Hoose, Ware. Nays 0.

SB 82 was passed and the title agreed to.

Senator Garrett moved that the vote by which **SB** 82 was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 232 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the Previous Question on **SB** 232. Agreed.

On the roll call the vote was yeas 27—Blue, Bonn, Duffy, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, Howard, D. Johnson, Kidwell, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Miller, Mobley, Nichols, Palmer, Raybourne, Spence, Swope, Van Hoose, Ware. Nays 2—Billington, Kelly.

SB 232 was passed and the title agreed to.

Senator Gardner moved that the vote by which **SB** 232 was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 177 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Kelly moved the Previous Question on **SB** 177. Agreed.

On the roll call the vote was yeas 32—Billington, Blue, Bonn, Brand, Buckman, Duffy, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, Howard, D. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Van Hoose, Ware. Nays 0.

SB 177 was passed and the title agreed to.

Senator Gardner moved that the vote by which **SB 177** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 238 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Edwards moved the Previous Question on **SB 238.** Agreed.

On the roll call the vote was yeas 31—Blue, Bonn, Brand, Buckman, Cobb, Derickson, Duffy, Edwards, Fuqua, Gardner, Garrett, Gay, Howard, D. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Spence, Swope, Van Hoose, Ware. Nays 0.

SB 238 was passed and the title agreed to.

Senator Edwards moved that the vote by which **SB 238** was passed be reconsidered and that said motion be laid on the table. Agreed.

Announcements

Senator Gardner, Chairman, announced a meeting of the Rules Committee for 10:00 A.M., Friday, March 13, in Room 327.

Senator Gardner moved that Senate adjourn until 12:00 noon, Friday, March 13. Agreed.

FRIDAY, MARCH 13, 1964

FIFTY-FOURTH LEGISLATIVE DAY

The Senate was called to order by the President.

Prayer by the Reverend Herman M. Bowers of the First Baptist Church of Frankfort.

The roll was called. All present except Senators Brizendine and Miller, who were granted leave of absence on motion of Senator Gardner.

Reading of the Journal for March 12 dispensed with and the same approved on motion of Senator Gardner.

Introduction of Resolutions

SR 47, by Senators McCann and Bonn: A RESOLUTION honoring America's oldest executive distiller, Julian P. Van Winkle, Sr., of Louisville, on his 90th brithday.

WHEREAS, Kentucky is privileged to have in its midst America's oldest executive distiller; and

WHEREAS, Julian P. Van Winkle, Sr., is the nation's greatest living exponent of Kentucky Bourbon sour mash whiskey; and

WHEREAS, as president of Stitzel-Weller (Old Fitzgerald) Distillery, Inc., of Louisville he is senior proprietor of Kentucky's oldest family distillery; and

WHEREAS, "Pappy" Van Winkle, as he is affectionately known, has devoted 71 years to making old-fashioned Kentucky sour mash whiskey and to spreading the fame of Kentucky as the home of this famous product; and

WHEREAS, Mr. Van Winkle was born in Danville, Kentucky, and has dedicated his entire life-time to the development and prosperity of our Commonwealth; and

WHEREAS, by both preaching and practicing moderation in the use of alcoholic beverages he has set a worthy example of temperance and reflected credit on an important industry; and

WHEREAS, on March 22, 1964, Mr. Van Winkle is celebrating his 90th birthday; and despite the burdens of nine decades, he reports for work daily in his office.

NOW, THEREFORE,

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky:

That the Senate hereby congratulates the venerable and respected Julian P. Van Winkle, Sr., on his 90th birthday and the achievement of an age which few of us are privileged to attain;

That we express the Commonwealth's appreciation for Mr. Van Winkle's contributions to the welfare and prosperity of our people;

That we express the fervent wish that Mr. Van Winkle will grace our presence for many more years to come; and

That a duly authenticated copy of this Resolution be delivered to Mr. Van Winkle.

Senator McCann moved the adoption of **SR 47.** Agreed.

House Message

Announcing passage of **HB 89, HB 296, HB 322, HB 323, HB 329, HB 346, HB 352, HB 354, HB 355, HB 358, HB 365, HB 366, HB 367, HB 368, HB 372, HB 380, HB 383, HB 386, HB 392, HB 400, HB 403, HB 411, HB 418, HB 419, HB 436, HB 439, HB 440, HB 442, HB 443, HB 444, HB 445, HB 446, HB 447, HB 448, HB 449, HB 450, HB 451, HB 453, HB 454, HB 455, HB 458, HB 459, HB 460, HB 461, HB 470, HR 101, HR 108, SR 13, SR 26, SR 35, SR 36.**

SR 48, by Senator Mobley: A RESOLUTION urging Congress and the President of the United States to direct the Corps of Engineers to undertake flood control projects on the upper reaches of the Kentucky River Basin.

WHEREAS, each year the area surrounding the upper reaches of the Kentucky River and its tributaries is swept by severe and devastating floods; and

WHEREAS, these floods cause extensive and widespread damage to the property in this area which is measured in the millions of dollars and which severely retards its economic growth; and

WHEREAS, the toll of human lives lost and the hardship and suffering endured by the inhabitants of the area, in addition to the property loss, as a result of each flood is both immeasurable and incompensable; and

WHEREAS, each flood imposes a great cost on the communities, state and federal government for the rehabilitation of the flooded area; and

WHEREAS, the hardships endured and the loss of life suffered, the extensive loss of property and expensive rehabilitation projects have been incurred, repeatedly in the past, and will be incurred over and over again in the future, so long as no adequate flood control measures are taken; and

WHEREAS, the tragic portrayal of this deplorable and shameful situation by the 1957 and 1963 floods demands that measures be taken to provide an effective remedy; and

WHEREAS, a project of this nature, conducted in a depressed area such as the Kentucky River Basin, would provide a double benefit to the area by not only providing needed flood control but by alleviating the widespread unemployment in the area;

NOW, THEREFORE,

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Congress of the United States and the President be urged to direct the Corps of Engineers to conduct and undertake flood control projects in the upper reaches of the Kentucky River and its tributaries, the Big Sandy and the Cumberland.

Section 2. That copies of this resolution be sent to the President of the United States; to both Houses of Congress; to the Chief of Engineers, Corps of Engineers; and to each Kentucky Congressman.

Senator Mobley moved the adoption of **SR 48.** Agreed.

SR 49, by Senators Billington and Layne: A RESOLUTION setting forth 1964-65 as a centennial celebration of the American Association of School Superintendents, etc.

Senator Billington withdrew **SR 49.**

Senator Gardner moved to suspend the Rules for the purpose of reading the Calendar. Agreed.

Calendar

HB 309, SB 187, HB 118, HB 111, HB 141, HB 99, HB 146, HB 347, HB 325, HB 413, HB 414, HB 314, HB 231, HB 235 taken from the Calendar and ordered read at length for the second time. Senator Gardner moved that they be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

Recess

Senator Gardner moved that the Senate recess until 2:00 P.M. for the purpose of having a meeting of the Committee on Rules. Agreed.

At the appointed hour the President resumed the chair and called the Senate to order.

Senator Gardner moved that the Rules be suspended for the purpose of introducing bills. Agreed.

Introduction of Bills and Resolution

SB 261, by Senators Edwards and Kiser: AN ACT relating to state employes' retirement system.

SB 262, by Senators McCann, Mobley, Brand and Donald Johnson: AN ACT relating to flood control.

SR 50, by Senator Donald Johnson: A RESOLUTION relating to change of date or place of Department of Highways Bidder's meeting.

WHEREAS, many members of the Legislature of the Commonwealth of Kentucky are required by necessity to be billeted at and use the accommodations at the Holiday Inn at Frankfort, Kentucky; and

WHEREAS, on Friday, March 20, 1964, the 1964 Legislative Session will finally adjourn and all bills then pending will be lost and defeated by sine die at 12:00 p.m. on such date; and

WHEREAS, the Legislature has historically worked long, late hours on the day of sine die; and

WHEREAS, the management of the Holiday Inn at Frankfort, Kentucky, has stated that all Legislator's reservations for the week beginning Monday, March 16, must end no later than 2:00 p.m. on Thursday, March 19, 1964, and thereby require all legislator's to be evicted and remove themselves and their belongings from said quarters at said time in order to make quarters available for highway contract bidders; and

WHEREAS, the foregoing would unduly interfere with the legislative process of the Commonwealth of Kentucky and would create an undue and unreasonable inconvenience upon a large number of the members of the Legislature;

NOW, THEREFORE,

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky:

That the Chief Executive of this Commonwealth be requested to authorize and direct the Commissioner of the Department of Highways to either cancel the highway bidder's meeting set for Thursday, March 19, and the opening of bids on Friday, March 20, 1964, or alternatively to reschedule same at Lexington or some other appropriate location which would not interfere with the conduct of this legislative body.

Senator Donald Johnson moved the adoption of **SR 50.** Agreed.

Orders of the Day

SB 248 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Duffy moved the Previous Question on **SB 248.** Agreed.

On the roll call the vote was yeas 27—Billington, Blue, Bonn, Brand, Derickson, Duffy, Duncan, Edwards, Engle, Fuqua, Gardner, Garrett, F. Johnson, Kidwell, Kinkead, Kiser, Layne, McCann, McGinty, Newberry, Nichols, Palmer, Raybourne, Spence, Turner, Van Hoose, Ware. Nays 5—Buckman, Howard, D. Johnson, Mann, Mobley.

SB 248 was passed and the title agreed to.

Senator Duffy moved that the vote by which **SB 248** was passed be reconsidered and that said motion be laid on the table. Agreed.

HB 133 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the Previous Question on **HB 133.** Agreed.

On the roll call the vote was yeas 34—Billington, Blue, Bonn, Brand, Buckman, Derickson, Duffy, Duncan, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

HB 133 was passed and the title agreed to.

Senator Gardner moved that the vote by which **HB 133** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 193 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Bonn moved the Previous Question on **SB 193.** Agreed.

On the roll call the vote was yeas 34—Billington, Blue, Bonn, Brand, Buckman, Derickson, Duffy, Duncan, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, Howard, D. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

SB 193 was passed and the title agreed to.

Senator Bonn moved that the vote by which **SB 193** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 145 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Buckman moved the Previous Question on **SB 145.** Agreed.

On the roll call the vote was yeas 33—Billington, Blue, Bonn, Brand, Buckman, Derickson, Duffy, Duncan, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, Howard, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

SB 145 was passed and the title agreed to.

Senator Buckman moved that the vote by which **SB 145** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 247 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Garrett offered Amendment #1 to **SB 247** and moved its adoption. Agreed.

Said Amendment #1 to **SB 247** is as follows:

Amend printed copy of Senate Bill 247 on page 1, line 13, by: striking the words "as provided by law."

and inserting in lieu thereof the words "by a fine of $500.00 or imprisonment not to exceed sixty days, or both such fine and imprisonment."

Senator Garrett moved the Previous Question on **SB 247**, as amended. Agreed.

On the roll call the vote was yeas 31—Billington, Blue, Bonn, Brand, Buckman, Derickson, Duffy, Duncan, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Mann, McCann, McGinty, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Ware. Nays 2—Layne, Van Hoose.

SB 247, as amended, was passed and the title agreed to.

Senator Garrett moved that the vote by which **SB 247**, as amended, was passed be reconsidered and that said motion be laid on the table. Agreed.

The President vacated the chair, the President Pro Tempore, Senator Ware, presiding.

SB 227 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator McGinty moved the Previous Question on **SB 227**. Agreed.

On the roll call the vote was yeas 31—Billington, Blue, Bonn, Brand, Derickson, Duffy, Duncan, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, Howard, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Mobley, Newberry, Nichols, Raybourne, Swope, Van Hoose, Ware. Nays 0.

SB 227 was passed and the title agreed to.

Senator McGinty moved that the vote by which **SB 227** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 148 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Layne moved the Previous Question on **SB 148**, seconded by Senator Donald Johnson. Agreed.

On the roll call the vote was yeas 18—Billington, Brand, Duncan, Edwards, Engle, Fuqua, Gardner, Gay, Howard, D. Johnson, F. Johnson, Kelly, Layne, Mann, Mobley, Newberry, Raybourne, Swope, Van Hoose. Nays 11—Blue, Bonn, Duffy, Garrett, Kidwell, Kinkead, Kiser, McCann, McGinty, Palmer, Ware.

SB 148 was passed and the title agreed to.

Senator Layne moved that the vote by which **SB 148** was passed be reconsidered and that said motion be laid on the table. Agreed.

The President Pro Tempore vacated the chair, the President presiding.

SB 173 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gay moved the Previous Question on **SB 173**. Agreed.

On the roll call the vote was yeas 25—Billington, Blue, Brand, Buckman, Duncan, Edwards, Engle, Fuqua, Gardner, Gay, Howard, D. Johnson, F. Johnson, Kelly, Kinkead, Layne, Mann, McGinty, Mobley, Newberry, Nichols, Raybourne, Swope, Van Hoose, Ware. Nays 1—McCann.

SB 173 was passed and the title agreed to.

Senator Gay moved that the vote by which **SB 173** was passed be reconsidered and that said motion be laid on the table. Agreed.

Report on Enrolled Bills

Committee on Enrollment reported that **HB 15, HB 237, HB 152, HB 312, HB 4** had been examined and found correctly enrolled. **HB 15, HB 237, HB 152, HB 312, HB 4** read at length, compared, and signed in open session by the President. Ordered delivered to the House.

Announcement

Senator Gardner, Chairman, announced a meeting of the Committee on Rules for 1:00 P.M. Monday, March 16, in Room 327.

Report of Committee

Committee on Rules reported **SB 255, SB 257, HB 371, HB 3,** with Committee Amendments, **HB 145, SB 250,** with Committee Amendment, **SB 208,** with Committee Amendment, **HB 350, SB 180** with the expression of opinion that same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 255, AN ACT relating to workmen's compensation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 342.020 of the Kentucky Revised Statutes is amended to read as follows:

(1) In addition to all other compensation provided in this chapter, the employer shall furnish for the cure and relief from the effect of an injury or occupational disease, such medical, surgical, *chiropractic* and hospital treatment, including nursing, medical and surgical supplies and appliances, as may reasonably be required at the time of the injury and thereafter during disability, or as may be requested for the cure and treatment of an occupational disease, but not exceeding a total expense to the employer of more than twenty-five hundred dollars. If the employer fails to furnish such treatment reasonably, he shall be liable for the reasonable expense, within the limits of this section, incurred by or on behalf of the employe in providing such treatments. In an emergency, the employe may call in any available physician, [or] surgeon or *chiropractor* to administer any first aid reasonably necessary at the expense of the employer within the limits of its section. The board, in its discretion, may apportion payments to be made under this section between hospitals

and physicians in cases where their aggregate fees and charges would not exceed the maximum for which the employer is liable.

(2) However, further medical, surgical, *chiropractic* and hospital treatment, not to exceed an additional one thousand dollars, may be ordered by the board upon application and sufficient showing of justifiable need therefor.

(3) Where a compensable injury or occupational disease results in the amputation of an arm, hand, leg or foot, or the loss of hearing, or the enucleation of an eye or the loss of teeth, the employer shall initially furnish in addition to other medical, surgical, *chiropractic* and hospital treatment enumerated in subsections (1) and (2) of this section, a modern artificial member, and where required, proper braces but the employer's liability for such artificial member or braces shall not, including his liability for medical, surgical, *chiropractic* and hospital treatment, exceed twenty-five hundred dollars.

Section 2. Section 342.021 of the Kentucky Revised Statutes is amended to read as follows:

(1) Whenever an employe receives a personal injury which is or may be compensated under the Workmen's Compensation Law and said employe is examined or treated for such injury by a doctor, *chiropractor* or physician under the provisions of KRS 342.020 the employer shall cause to be furnished to the employe, if requested by him, and to the board, if required by it, immediately following said examination or treatment a copy of the report of the doctor, *chiropractor* or physician showing the nature and condition and effect of the employe's injury. Upon any future examination or examinations by a doctor, *chiropractor* or physician the employer shall cause to be furnished to the employe, if requested by him, and to the board, if required by it, immediately following such examination copies of the reports thereof containing the information mentioned above.

(2) If the employe should be examined or treated by any doctor *or chiropractor* of his own choosing the employe shall, immediately following said examination, cause a copy of the report thereof to be furnished to his employer or to the board, if required by either.

Section 3. Section 342.030 of the Kentucky Revised Statutes is amended to read as follows:

(1) If it is shown that the employer is furnishing the requirements provided by KRS 342.020 in such manner that there is reasonable ,ground for believing that the life, health or recovery of the employe is being endangered or impaired thereby, the board may order a change in the physician or other requirement. If the employer fails promptly to comply with such order after receiving it, the board may permit the employe or someone for him to provide the same at

the expense of the employer under such reasonable regulations as may be provided by the board.

(2) No action shall be brought against any employer subject to this chapter by any person to recover damages for malpractice or improper treatment received by any employe from any physician, *chiropractor*, hospital or attendant thereof.

Section 4. Section 342.121 of the Kentucky Revised Statutes is amended to read as follows:

(1) If on a claim for compensation for disability resulting from a subsequent injury by accident or occupational disease any medical question shall be in controversy, or a determination thereof necessary to the proper apportionment of liability therefor, the board shall refer the case to a physician *or chiropractor* appointed by it for the purpose of investigating and reporting to the board on the medical question involved. The physician *or chiropractor* shall make his report to the Workmen's Compensation Board in writing with respct to all medical questions at issue or necessary to the apportionment of disability between the subsequent injury and the prior existing disability at the time of employment. The report shall show the date of prior disablement or latent, non-disabling disease, which, if in dispute, shall be deemed a medical question.

(2) The physician *or chiropractor* appointed as provided in subsection (1) of this section shall be allowed necessary traveling expenses and reasonable fees, to be fixed by the board to each physician *or chiropractor* for making such examination and report, plus a reasonable allowance for expenses incurred in making such examination. The board may also allow traveling expenses to the employe. Such fees and expenses so approved by the board shall be paid out of the Subsequent Claim Fund in cases for subsequent injuries or occupational diseases.

(3) The physician *or chiropractor* shall, as soon as practicable after he has completed his consideration of the case, but not later than fifteen days after the examination of the employe, report in writing his findings [on every medical question in controversy]. The physician *or chiropractor* shall also include in his report a statement indicating the physician or physicians, *chiropractor or chiropractors*, if any, who appeared before them, and what, if any, medical reports and X-rays were considered by them.

(4) The decision or award in the case shall conform to the findings and conclusions in such report in so far as restricted to medical questions; provided, however, that any such findings and conclusions may be set aside, reversed or modified, by the board's award or decision, in case an application for review is made to the board within ten days after the report is filed with the board and

the interested parties notified, subject, however, to the following special provisions; no such findings of the physician *or chiropractor* shall be subject to review unless specific objections thereto shall be filed with the board by a party in interest within the time limited in which to apply for review of such report.

(5) The provisions of this section shall apply only to persons mentioned in KRS 342.120.

Section 5. Section 342.205 of the Kentucky Revised Statutes is amended to read as follows:

After an injury and so long as compensation is claimed, the workman, if requested by his employer or by the board, shall submit himself to examination, at reasonable time and places, to a duly qualified physician, *chiropractor* or surgeon designated and paid by the employer. The employe shall have the right to have a duly qualified physician, *chiropractor* or surgeon designated and paid by himself present at such examination, but this right shall not deny the employer's physician, *chiropractor* or surgeon the right to visit the injured employe at all reasonable times and under all reasonable conditions. If an employe refuses to submit himself to or in any way obstructs such examination his right to take or prosecute any proceedings under this chapter shall be suspended until such refusal or obstruction ceases. No compensatiton shall be payable for the period during which the refusal or obstruction continues.

Section 6. Section 342.315 of the Kentucky Revised Statutes is amended to read as follows:

(1) The board, or any member thereof, may, upon the application of either party or upon its own motion, appoint not more than three disinterested and duly qualified physicians, *chiropractors* or surgeons to make any necessary medical examination of the employe and to testify in respect thereto. Such physicians, *chiropractors* or surgeons shall file with the board within fifteen days after such examination their joint report in writing. The physicians, *chiropractors* or surgeons shall be allowed a reasonable fee to be fixed by the board and paid out of the Maintenance Fund, not exceeding seventy-five dollars for each examination and report, except that the board may allow additional reasonable amounts in extraordinary cases and the reasonable cost of X-rays, if any; the board may in its discretion allow a fee not in excess of twenty-five dollars for any deposition given by such physician, *chiropractors* or surgeons.

(2) The party filing the motion for an examination shall pay the necessary and reasonable traveling expenses incurred by the employe in submitting to such examination. If the examination is ordered on the board's own motion, then such traveling expenses shall be paid out of the Maintenance Fund.

Section 7. Section 342.320 of the Kentucky Revised Statutes is amended to read as follows:

(1) All fees of attorneys, *chiropractors* and physicians, and all charges of hospitals under this chapter, shall be subject to the approval of the board. No attorney fees shall be allowed or approved against any party not represented by said attorney, nor shall any attorney fee be allowed or approved exceeding an amount equal to twenty percent of the amount recovered. The board may reduce the attorney's fee to an amount commensurate with the services performed, or may deny or reduce an attorney's fee upon proof of solicitation of employment.

(2) The entire attorney's fee in a lump sum shall be paid directly to the attorney of record, and the board in allowing or approving an attorney's fee, as provided in this section, shall order payment of same directly to the attorney, commuting sufficient of the final payments of compensation payable under the award to a lump sum for that purpose.

SB 257, AN ACT relating to workmen's compensation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 342.120 of the Kentucky Revised Statutes is amended to read as follows:

(1) A claimant may in the original application for benefits, or either party may by motion while the case is pending, accompanied by proper allegations, and the board shall upon its own motion at any time before the rendition of the final award, cause the *Special* [Subsequent Claim] Fund to be made a party to the proceedings if either or both of the following appears:

(a) The employe is disabled, whether from a compensable injury, occupational disease, pre-existing disease, or otherwise, and has received a subsequent compensable injury by accident, or has developed an occupational disease;

(b) The employe is found to have a dormant non-disabling disease condition which was aroused or brought into disabling reality by reason of a subsequent compensable injury by accident or an occupational disease.

(2) When the *Special* [Subsequent Claim] Fund has been made a party the board shall direct the procedures provided in KRS 342.121.

(3) If it is found that the employe is a perosn mentioned in subsection (1) (a) or (b) and a subsequent compensable injury or occupational disease has resulted in additional permanent disability

so that the degree of disability caused by the combined disabilities is greater than that which would have resulted from the subsequent injury or occupational disease alone and the employe is entitled to receive compensation on the basis of the combined disabilities, the employer shall be liable only for the degree of disability which would have resulted from the latter injury or occupational disease had there been no pre-existing disability or dormant, but aroused diseased condition.

(4) The remaining compensation for which such resulting condition would entitle the employe, including any compensation for disability resulting from a dormant disease aroused into disabling reality by the injury or occupational disease, but excluding all compensation which the provisions of this chapter would have afforded on account of prior disabling disease or injury had it been compensated thereunder, shall be paid out of the *Special* [Subsequent Claim] Fund provided for in subsection (1) of KRS 342.122. *Such remaining compensation shall be paid directly to the employe by the carrier of self-insured employer who is liable for compensation under subsection (3) of this section, and the carrier or self-insured employer shall be reimbursed for such payments on a quarterly basis and under such regulations as the board may provide for such purpose.*

[(5) Upon motion, with notice to the Commissioner of Labor, and it appearing to the board that a claimant who has been awarded compensation under any one of the several provisions of this chapter becomes re-employed or continues in his employment in which he was injured, during the period of such employment or re-employment the payments accruing shall be paid out of the Subsequent Claim Fund; said unpaid portion of the award during such period shall be awarded against the Subsequent Claim Fund and paid by the Commissioner of Labor. Whenever the weekly payments under this section would be less than sixteen dollars per week the period shall be shortened and the payments correspondingly increase to that amount. The employment or re-employment contemplated herein shall be at wages equal to or greater than the employe was receiving at the time of the traumatic injury by accident or at the time of the last injurious exposure to the occupational diseases. Upon proper motion or by agreement of the parties the board may order a lump sum payment pursuant to KRS 342.150. The board shall, when this subsection is operative, liberally construe its provisions in favor of the employe with respect to the granting of a lump sum payment, and shall allow such lump sum payment unless it clearly appears that there will be an undue risk of overpayment. This subsection shall affect all unpaid workmen's compensation benefits and shall be applicable to all cases presently pending before the board.]

Section 2. Section 342.121 of the Kentucky Revised Statutes is amended to read as follows:

(1) If on a claim for compensation for disability resulting from a subsequent injury by accident or occupational disease any medical question shall be in controversy, or a determination thereof necessary to the proper apportionment of liability therefor, the board shall refer the case to a physician appointed by it for the purpose of investigating and reporting to the board on the medical questions involved. The physician shall make his report to the Workmen's Compensation Board in writing with respect to all medical questions at issue or necessary to the apportionment of disability between the subsequent injury and in the prior existing disability at the time of employment. The report shall show the date of prior disablement or latent, non-disabling disease, which, if in dispute, shall be deemed a medical question.

(2) The physician appointed as provided in subsection (1) of this section shall be allowed necessary traveling expenses and reasonable fees, to be fixed by the board to each physician for making such examination and report, plus a reasonable allowance for expenses incurred in making such examination. The board may also allow traveling expenses to the employe. Such fees and expenses so approved by the board shall be paid out of the *Special* [Subsequent Claim] Fund in cases for subsequent injuries or occupational diseases.

(3) The physician shall, as soon as practicable after he has completed his consideration of the case, but not later than fifteen days after the examination of the employe, report in writing his findings on every medical question in controversy. The physician shall also include in his report a statement indicating the physician or physicians, if any, who appeared before them, and what, if any, medical reports and X-rays were considered by them.

(4) The decision or award in the case shall conform to the findings and conclusions in such report insofar as restricted to medical questions; provided, however, that any such findings and conclusions may be set aside, reversed or modified, by the board's award or decision, in case an application for review is made to the board within ten days after the report is filed with the board and the interested parties notified, subject, however, to the following special provisions; no such findings of the physician shall be subject to review unless specific objections thereto shall be filed with the board by a party in interest within the time limited in which to apply for review of such report.

(5) The provisions of this section shall apply only to persons mentioned in KRS 342.120.

Section 3. Section 342.122 of the Kentucky Revised Statutes is amended to read as follows:

(1) "Adjusted cost" as used in this section and in KRS 342.475 means all compensation, hospital and medical benefits paid thereunder, plus an additional factor of twelve percent of such total payments, to cover the administrative cost of the employer. However, in no event shall "adjusted cost" be less than fifty percent of the basic insurance premium computed by applying current manual rates for workmen's compensation insurance to the payroll of every employer carrying his own risk and for this purpose each such employer shall annually furnish payroll data to the Workmen's Compensation Board. "Adjusted cost" shall not include amount paid for injuries occurring prior to March 22, 1962.

(2) In addition to the taxes and assessments imposed by KRS 342.450 and 342.475, a *Special* [Subsequent Claim] Fund tax at the rate of three-fourths of one percent of the amount of premiums received shall be paid by every insurance carrier as defined in KRS 342.445, subject to the credits therein set out, and the board shall assess against the "adjusted cost" of every employer carrying his own risk a *Special* [Subsequent Claim] Fund Tax computed by taking three-fourths of one percent of the "Adjusted Cost" determined as provided in KRS 342.475. The provisions of KRS 342.450, 342.455, 342.460, 342.465 and 342.470 shall, so far as applicable, also apply to the levy and collection of such additional tax of three-fourths of one percent of such premiums of insurance carriers.

(3) All taxes and assessments imposed by subsection (2) of this section shall be paid into the State Treasury and shall be credited to the *Special* [Subsequent Claim] Fund for the board, which fund shall be used only for the payment of awards of compensation made by the board and chargeable against said fund, expenses of legal representation thereof, fees and expenses of the physicians in connection therewith, and shall be withdrawn for that purpose under the supervision of the Commissioner of Labor.

(4) Any sum remaining in the *Special* [Subsequent Claim] Fund to the credit of the Workmen's Compensation Board at the end of any fiscal year shall be set up by the Department of Finance to the credit of the board in such fund for the next ensuing fiscal year.

(5) If the amount to the credit of the *Special* [Subsequent Claim] Fund as of June 30 of any year exceeds $200,000 the tax of three-fourth of one percent upon insurance premiums provided for under subsection (2) of this section and the three-fourths of one percent assessment upon employers carrying their own risk provided for under subsection (2) of this section shall not be assessed or collected during the ensuing year.

(6) If the Commissioner of Labor finds that the *Special* [Subsequent Claim] Fund tax levied pursuant to this section is insuf-

ficient to pay such claims awarded under the *Special* [Subsequent Claim] Fund provisions, then he may levy [an] additional assessments against all insurance companies writing workmen's compensation insurance in Kentucky, including every employer carrying his own risk, for an amount not to exceed $100,000. The amount of each insurance company's assessment shall be in the proportion that each company's annual workmen's compensation premiums writings in Kentucky bears to the total of all annual workmen's compensation premiums written in Kentucky. Such assessment will be based upon information contained in the insurance company's last filed annual statement with the Department of Insurance. Such assessments against every employer carrying his own risk will be based upon that proportion which the "adjusted-cost" of such own risk carriers bears to the total "adjusted cost" of all such own risk carriers. "Adjusted cost" reports filed with the board in accordance with KRS 342.475 will be the basis of such determination. Such additional assessment against insurance companies and employers carrying their own risks shall be apportioned between the two classes as the total of premiums and the total of "adjusted cost" each bears to the combined total.

(7) The fund heretofore designated as the Subsequent *Claim* [Injury] Fund is abolished and there is substituted therefor the *Special* [Subsequent Claim] Fund as herein set out and all monies and properties owned by the Subsequent *Claim* [Injury] Fund are transferred to the *Special* [Subsequent Claim] Fund.

(8) The effective date of this Act shall be August 1, 1964.

HB 371, AN ACT relating to motor vehicles.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 186.050 of the Kentucky Revised Statutes is amended to read as follows:

(1) The annual registration fee for motor vehicles, including taxicabs, airport limousines and U-Drive-Its, primarily designed for carrying passengers and having provisions for not more than nine passengers, including the operator, shall be $4.50.

(2) The annual registration fee for each motorcycle shall be $2.00, and for each sidecar attachment, $1.00.

(3) All motor vehicles except those mentioned in subsections (1) and (2), and those engaged in hauling passengers for hire, operating under certificates of convenience and necessity, are classified as commercial vehicles and the annual registration fee, except as provided in subsections (4) through (8), shall be as follows:

Declared Gross Weight	*Registration Fee*
0- 6,000	*$ 10.00*
6,001-10,000	*24.00*
10,001-14,000	*30.00*
14,001-18,000	*40.00*
18,001-22,000	*48.00*
22,001-26,000	*54.00*
26,001-32,000	*78.00*
32,001-38,000	*114.00*
38,001-44,000	*150.00*
44,001-62,000	*250.00*
62,001-73,280	*276.00*

[Declared Gross Weight	Registration Fee
0- 5000	$ 10.00
5001- 8000	22.00
8001-10000	25.00
10001-12000	29.00
12001-14000	32.00
14001-16000	36.00
16001-18000	40.00
18001-21000	45.00
21001-24000	50.00
24001-27000	59.00
27001-30000	71.00
30001-33000	85.00
33001-36000	101.00
36001-39000	123.00
39001-42000	150.00
42001 or over	250.00]

The registration fee shall be increased fifty percent on any motor vehicle not equipped wholly with pneumatic tires.

(4) Any farmer owning a truck having a gross weight of 24,000 pounds or less may have it registered as a farmer's truck and obtain a license for $4.50. The applicant's signature upon the registration receipt shall constitute a certification that he is a farmer engaged solely in the production of crops, livestock or dairy products, that he owns a truck of the gross weight of 24,000 pounds or less, that he has caused to be printed upon each side of the truck the words "Farmer's Truck" in conspicuous letters not less than three inches in height, and that during the next twelve months the truck will be used only in transporting persons, food, provender, feed and machinery used in operating his farm and the products grown on his farm.

(5) Any person owning a truck or bus used solely in transport-

ing school children and school employes may have the truck or bus registered as a school bus and obtain a license for $4.50 by filing with the county clerk, in addition to other information required, an affidavit stating that the truck or bus is used solely in the transportation of school children and persons employed in the schools of the district, that he has caused to be printed on each side of the truck or bus and on the rear door the words "School Bus" in letters at least six inches high and of a conspicuous color and that the truck or bus will be used during the next twelve months only for the purpose stated.

(6) Any church or religious organization owning a truck or bus used solely in transporting persons to and from a place of worship or for other religious work may have the truck or bus registered as a church bus and obtain a license for $4.50 by filing with the county clerk, in addition to other information required, an affidavit stating that the truck or bus will be used only for the transporting of persons to and from a place of worship, or for other religious work, and that there has been printed on the truck or bus in large letters the words "Church Bus", with the name of the church or religious organization owning and using the truck or bus, and that during the next twelve months the truck or bus will be used only for the purpose stated.

(7) Any person owning a truck on which an outfit for drilling water wells has been mounted and bolted to the chassis may register the truck and obtain a license for $4.50 by filing with the county clerk, in addition to other information required, an affidavit that an outfit for the drilling of water wells has been mounted on and bolted to the chassis of the truck, and that during the next twelve months the truck will be used only for the transportation of the well drilling outfit.

(8) Any person owning a motor vehicle on which a wrecking crane and other equipment suitable for an automobile wrecker service has been permanently mounted may register the vehicle and obtain a license for $9.50 by filing with the county clerk, in addition to other information required, an affidavit that a wrecking crane and other equipment suitable for an automobile wrecker service has been permanently mounted on such vehicle and that during the next twelve months the vehicle will be used only in automobile wrecker service.

Section 2. Section 186.055 of the Kentucky Revised Statutes is amended to read as follows:

(1) All *motor vehicles registered under subsection (3) of KRS 186.050* [commercial vehicles], except motor vehicles taxed under [KRS] *Chapter 281* [.810] *of the Kentucky Revised Statutes,* wherein the gross weight exceeds 18,000 pounds, shall pay an additional fee as follows:

Declared Gross Weight	*Weight Fee*
18,001-22,000	*$ 72.00*
22,001-26,000	*96.00*
26,001-32,000	*120.00*
32,001-38,000	*156.00*
38,001-44,000	*324.00*
44,001-62,000	*338.00*
62,001-73,280	*474.00*

[Declared Gross Weight	Weight Fee
18,001-21,000	$ 67.00
21,001-24,000	84.00
24,001-27,000	97.00
27,001-30,000	113.00
30,001-33,000	130.00
33,001-36,000	148.00
36,001-39,000	170.00
39,001-59,640	325.00
59,641-73,280	500.00]

(2) The clerk shall issue a weight plate furnished by the department and shall be paid for this service the sum of *fifty* [twenty-five] cents.

(3) The clerk shall not register any common or contract carrier motor vehicle or U-Drive-It vehicle until the owner has presented in duplicate to the clerk a receipt from the Department of Motor Transportation showing that the weight tax has been paid as provided for under KRS 281.810. A copy of this receipt shall be retained by the clerk and the other copy forwarded to the department together with the department's copy of the registration receipt issued by the clerk. Providing, however, the Department of Motor Transportation may by regulation provide otherwise.

(4) Motor vehicles registered under subsection (3) of KRS 186.050 or duly registered under the laws of any other state, which when operated in this state are used exclusively for the transportation of property within the limits of the city named in the affidavit hereinafter required to be filed, or within ten miles of the limits of the city if it is a city of the first, second, third, or fourth class, or within five miles of its limits if it is a city of the fifth or sixth class, shall not be required to pay the fee as set out in this section. Nothing in this section shall be construed to limit any right of nonresidents to exemption from registration under any other provision of the laws granting reciprocity to non-residents. Operations outside of this state shall not be considered in determining whether or not the foregoing mileage limitations have been observed. When claiming exemptions of payment of the fee, the owner shall file with the county clerk in addition

to any other information that may be required an affidavit stating that the motor vehicle when used within this state is used only for the transportation of property within the cities to be named in the affidavit and the area above set out and that the vehicle will not be used outside of the city and the area above set out during the current registration period, and that there has been printed conspicuously on each side of the vehicle in letters of distinctive color at least three inches in height the name of the owner and words "Urban Limits."

Section 3. Section 189.222 of the Kentucky Revised Statutes is amended to read as follows:

(1) The Commissioner of Highways in respect to highways which are a part of the state-maintained system, by official order, may increase on designated highways or portions thereof, the maximum height, length and gross weight prescribed in KRS 189.221, if in the opinion of said commissioner, the increased height, length and weight designated by him are justified by the strength, safety and durability of the designated highways, and said highways do not appear susceptible to unreasonable and unusual damage by reason of such increases; and said commissioner is authorized to establish reasonable classification of such roads and to fix a different maximum for each classification. However, in no event shall any motor truck or tractor semi-trailer combination, including any part of the body or load, exceed the following dimensions and weights:

(a) Height, 13½ feet;

(b) Length, truck tractors and semi-trailers, *55* [50] feet; motor trucks 35 feet;

(c) Weight, 18,000 pounds per single axle, with axles less than 42 inches apart to be considered as a single axle; 32,000 pounds on two *or more* axles in tandem arrangement which are spaced 42 inches or more apart and less than 120 inches apart. *In no event shall any single axle in any arrangement exceed 18,000 pounds or* 600 pounds per inch of *the* aggregate width of all *the* tires *on a single axle, whichever is less. In no event shall the total* gross weight *of the vehicle and load exceed* 73,280 pounds;

(d) A tolerance of not more than five percent per axle load shall be permitted before a carrier is deemed to have violated paragraph (c) of this subsection. In no event shall the gross weight exceed 73,280 pounds.

(2) Motor vehicle tractor and semi-trailer units exclusively engaged in the transportation of motor vehicles, unmanufactured tobacco or unmanufactured tobacco products may, on those highways which are a part of the state maintained system and which have been designated by the Commissioner of Highways by official order as safely allowing same, attain a maximum length of fifty-five feet, ex-

cluding the usual and ordinary bumper overhang of the transported vehicles.

Section 4. Section 189.260 of the Kentucky Revised Statutes is amended to read as follows:

Every motor vehicle licensed under KRS 186.050 (3) and 186.055 shall *display* [in addition to displaying] all plates issued by the county clerk [have prominently painted on each side in letters and numerals not less than three inches in height in a color of sharp contrast to the color of their background, the gross maximum weight for which such motor vehicle was registered]. Except as provided in KRS 186.195, the registration receipt shall be kept in the truck at all times and shall be available for inspection.

Section 5. Section 281.600 of the Kentucky Revised Statutes is amended to read as follows:

The Department of Motor Transportation shall exercise all administrative functions of the state in relation to motor transportation as defined in this chapter, and shall apply, as far as practicable, the administrative and judicial interpretations of the Federal Motor Carrier Act. It shall have the right to regulate motor carriers as provided in this chapter, and to that end may establish reasonable requirements with respect to continuous and adequate service of transportation, systems of accounts, records and reports, preservation of records and safety of operation and equipment. It may issue subpoenas, subpoenas duces tecum and orders of personal attendance of witnesses, and production of pertinent records, for any proceeding before it, and permit the taking of depositions, all in accord with the *Rules of Civil Procedure* [Civil Code of Practice] and it shall have the power to make such rules and regulations as it may deem necessary to carry out the provisions of this chapter. The Department shall have the authority to promulgate regulations regarding safety requirements for motor vehicles and the method of operation, and any motor vehicle operating contrary to such safety rules and regulations shall be in violation of this section.

Section 6. Section 281.605 of the Kentucky Revised Statutes is amended to read as follows:

The provisions of this chapter shall not apply, except as to the safety regulations, to:

(1) Motor vehicles used as school buses and while engaged in the transportation of students, under the supervision and control and at the direction of school authorities;

(2) Motor vehicles, regardless of ownership, used exclusively:

(a) For the transportation of agricultural and dairy products, including fruit, livestock, meats, fertilizer, wood, lumber, cotton, products of grove or orchard, poultry and eggs, while owned by the producer of the products, including landlord where the relation of landlord and tenant or landlord and cropper is involved, from the farm to a market, warehouse, dairy or mill, or from one market, warehouse, dairy or mill to another market, warehouse, dairy or mill; or

(b) For the transportation of agricultural and dairy products, livestock, farm machinery, feed, fertilizer, and other materials and supplies essential to farm operation, from market or shipping terminal to farm; or

(c) For both the purposes described in paragraphs (a) and (b) of this subsection; or

(d) For the transportation of agricultural and dairy products from farm to regularly organized fairs and exhibits and return;

(3) Motor vehicles used exclusively as church buses and while operated in the transportation of persons to and from a church or place of worship or for other religious work under the supervision and control and at the direction of church authorities;

[(4) Motor vehicles used exclusively in transporting materials, supplies and equipment for the construction, reconstruction or maintenance of any public highways, road or street in this state;]

(4) [(5)] Motor vehicles used exclusively for the transportation of property belonging to a nonprofit cooperative association or its members where the vehicle is owned or leased exclusively by the association;

(5) [(6)] Motor vehicles owned in whole or in part by any person and used by such person to transport petroleum products and those incidental supplies used or sold in connection with the wholesale or retail sale of such petroleum products of which petroleum products or incidental supplies, such person is the owner, lessee, consignee, or bailee; provided, however, that such transportation is for the purpose of sale, lease, rent, or bailment, and is an incidental adjunct to an established private business owned and operated by such person in the furtherance of any commercial enterprise other than the business of transportation of property for hire;

(6) [(7)] Motor vehicles used in pick-up or delivery service within a city or within a city and its commercial area for a carrier by rail.

(7) [(8)] Motor vehicles used exclusively for the transportation of coal from the point at which such coal is mined to a railhead or tipple where such railhead or tipple is located at a point not more than fifty air miles from the point at which such coal is mined. The owner or operator of a motor vehicle used as set out in this subsection who had, prior to March 9, 1962, paid to the Department of Motor Transportation the annual excise tax due under KRS 281.810 for the

year 1962, shall be entitled to a refund of the amount so paid. The application for such refund shall be made to the Department of Motor Transportation, together with such evidence of payment as the department may prescribe, and if the department authorizes the refund, the Department of Finance shall draw a warrant upon the State Treasury in favor of the said owner or operator and charge the amount thereof to the State Road Fund.

Section 7. Section 281.615 of the Kentucky Revised Statutes is amended to read as follows:

(1) No person shall act as a motor carrier without first having obtained a certificate or permit, as the case may be, from the department.

(2) No person shall knowingly employ the services of a motor carrier not authorized to perform such services.

Section 8. A new section of the Kentucky Revised Statutes is hereby created to read as follows:

(1) The term "parcel delivery carrier" means any person who holds himself out to the general public as an irregular route common carrier for-hire transporting shipments of parcels or articles, no single shipment of which would exceed a combined length and girth of one-hundred and eight inches, or a weight of seventy pounds, at rates to be fixed and approved by the department.

(2) Irregular route common carrier certificates shall state the specific commodity or type of lading for which such certificates are issued to transport, and describe in general the territory wherein the holder thereof shall have the right to operate or originate, if the same be less than state-wide.

(3) If any person or his respective predecessor in interest is, as of the effective date of this Act, operating pursuant to a valid certificate, granted by the department authorizing operations as a parcel delivery carrier by motor vehicle under a regular route common carrier certificate authorizing the movement of intrastate shipments of parcels or articles weighing seventy pounds or less, or not exceeding a total of 108 lineal inches in combined length and girth over regular routes specified in said certificate, all such certificate holders or their respective approved transferees shall be issued by the department upon the effective date of this Act, an irregular route certificate for the operation of such parcel delivery service under the same terms and conditions as were embraced in the original regular route common carrier certificate, except that such service under the irregular route certificate shall be rendered to all points and places in the territory contained within the perimeter of the regular routes in said original certificate.

Section 9. Section 281.620 of the Kentucky Revised Statutes is amended to read as follows:

(1) Every applicant for a certificate or permit or for amendment or transfer or sale or change in route or abandonment of a certificate or permit shall apply for same to the department in such form and the application shall contain such matters as the department may prescribe.

(2) For the filing of such application the department shall receive a fee of twenty-five dollars.

(3) Every applicant seeking to have a commodity removed from the exempt list shall do so by a petition to the department, setting out the item and the reasons for the removal of same, and said petition should be in such form as the regulations may prescribe.

(4) For the filing of such application as set out in subsection (3) above and the calling of the hearing as provided in Section 281.625 the department shall receive a fee of twenty-five dollars, and an additional amount equal to the postage expense to be incurred in mailing the required notices of such hearing.

Section 10. Section 281.625 of the Kentucky Revised Statutes is amended to read as follows:

(1) (a) Upon the filing of an application for a certificate or permit or for amendment or for sale, transfer or lease or for change in route or for abandonment of a certificate or permit, the department shall, within a reasonable time, fix the time and place for a hearing.
(b) Upon the filing of a petition for the removal of a commodity from the exempted list, the same shall be held in the department and accumulated with others filed, if any, and at the end of each quarter of the year, the department shall fix the time and place for a hearing on such petitions as have been filed in the preceding quarter.
(c) At least thirty days before the hearing, the department shall mail written notice of the hearing, and of the right to file a protest, in accordance with the regulations of the department, to the applicant and every authorized carrier, including railroads, serving any part of the route proposed to be served or abandoned by the applicant. The department may also give similar notice to any other person, who, in the opinion of the department, may be interested in or affected by the granting of the application.

(2) At the time fixed in the notice the department shall hold a public hearing on the application. Any person having interest in the subject matter may, in accordance with the regulations prescribed therefor, file a protest to the granting, in whole or in part, of the application.

(3) The department, may, if the application is solely for rights

previously granted by the Interstate Commerce Commission, dispense with the holding of a hearing.

(4) Persons engaged in the transportation in interstate commerce in Kentucky of any commodity exempted by the Interstate Commerce Commission from regulation shall be subject to the same Kentucky requirements and regulations as if such persons were transporting commodities not exempted by the Interstate Commerce Commission, except that in lieu of filing or registering with the department a certificate of public convenience and necessity as issued by the Interstate Commerce Commission, such persons shall apply to the department for a permit or certificate restricted to interstate commerce and such a permit or certificate may be issued without a hearing.

(5) If such applicant has been granted an irregular route common carrier certificate by the Interstate Commerce Commission, the department may grant an irregular route common carrier certificate restricted to operation in interstate commerce, and on the granting of same, it shall notify the Department of Revenue of the applicant's operation.

(6) The department shall promulgate regulations designating as exempted commodities those commodities of property which are normally and usually not transported by common carriers by motor vehicle and may grant an irregular route common carrier certificate upon aplication, to transport only such exempted commodities without the holding of a hearing; and the department shall also have the power to remove any commodity so designated at any time with a hearing.

(7) The department may grant a permit, upon application, to operate a U-Drive-It without the holding of a hearing.

Section 11. A new section of Chapter 281 of the Kentucky Revised Statutes is created to read as follows:

The Department, when granting a motor carrier authority in accordance with the provision of KRS 281.665 (2), shall have the right to designate the situs of the carrier's office and terminal facilities from which said carrier may operate. No such designation shall deny the carrier the use of its office and terminal facilities in existence at the time of the grant of authority. Any subsequent change of situs or additional situs will only be granted after application to the Department in the same manner as other application made under KRS 281.625.

Section 12. Section 281.810 of the Kentucky Revised Statutes is amended to read as follows:

(1) On or before January 1 of each year and as a condition precedent to the use of the highways, every motor carrier operating motor vehicles primarily engaged in the transportation of property for hire

or operated under a U-Drive-It permit shall pay to the Department of Motor Transportation for the privilege of using the highways an annual excise tax upon each motor vehicle as set out in KRS 186.030, in addition to the basic registration fee set out in KRS 186.050, and in lieu of the taxes imposed by KRS 186.055 as follows:

Gross Weight	*Fee*
0- 6000	*22.00*
6001-10000	*42.00*
10001-14000	*54.00*
14001-18000	*70.00*
18001-22000	*108.00*
22001-26000	*148.00*
26001-32000	*192.00*
32001-38000	*258.00*
38001-44000	*324.00*
44001-62000	*338.00*
62001-73280	*474.00*

[Gross Weight	Fee
0- 5000	22.00
5001- 8000	30.00
8001-10000	48.00
10001-12000	52.00
12001-14000	57.00
14001-16000	62.00
16001-18000	70.00
18001-21000	101.00
21001-24000	132.00
24001-27000	161.00
27001-30000	185.00
30001-33000	208.00
33001-36000	235.00
36001-39000	272.00
39001-59640	325.00
59641-73280	500.00]

(2) The tax shall be increased fifty percent on each motor vehicle not equipped wholly with pneumatic tires.

(3) On or before January 1 of each year and as a condition precedent to the use of the highways, every motor carrier engaged in the driveaway business shall pay an annual license fee of two hundred fifty dollars which shall be in lieu of the weight tax set out in subsection (1) of this section.

(4) The department may, by regulation, require that the weight tags issued as evidence of the payment of the annual excise tax im-

posed by subsections (1) and (2) of this section be issued by the county court clerks. In the event such regulations are adopted by the department, (a) the tags shall be issued to the owner of the vehicle; (b) the provision of subsection (3) of KRS 281.825 shall not be applicable, and whenever such vehicle is destroyed or whenever the ownership of a vehicle for which the weight fees are paid under KRS 281.810 is changed and the use of such vehicle is changed so that it is no longer liable for the payment of such weight tax, a refund of the portion of the tax paid allocable to the remainder of the unexpired period for which the tax was paid may be had by the owner of the vehicle applying to the Department of Revenue and submitting such evidence as the Department of Revenue may require, together with the weight plate from the vehicle. The Department of Revenue may approve same for refund, whereupon the Department of Finance shall draw a warrant upon the State Treasury in favor of the owner of the vehicle and charge the amount to the State Road Fund; and (c) the department may also provide that the weight tag will not be required to be displayed on the vehicle before March 1 of each year. In all other respects, the clerk shall remit funds and issue the weight plates furnished by the department in the same manner and for the same clerk's fees as provided for the issuance of weight plates for commercial vehicles in KRS Chapter 186.

Section 13. Section 281.818 of the Kentucky Revised Statutes is amended to read as follows:

(1) Every dealer in motor trucks or tractors to be used in combination with semi-trailers who engages in the practice of transporting property for hire for demonstration purposes shall pay to the department an annual excise tax based on the gross weight of the motor vehicle so demonstrated an amount equal to the weight tax imposed by KRS 281.810. The department shall issue a metal license plate designated "dealer demonstration". The use of such tag shall be limited to demonstration purposes, and the tag may be transferred from one vehicle to another. The department may adopt regulations governing the use and transfer of such license tags.

(2) Vehicles used for demonstration and displaying the tag issued hereunder shall not be required to display dealer tags which may be required under the provisions of KRS 186.070.

Section 14. Sections 1, 2, and 12 of this act are to become effective January 1, 1965.

HB 3, AN ACT relating to the Kentucky Tax Commission.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) There is hereby created an administrative review agency which shall be known as the "Kentucky Board of Tax Appeals."

(2) All files, equipment, budget, and pending business of the Kentucky Tax Commission are hereby transferred to the Kentucky Board of Tax Appeals.

Section 2. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) The Kentucky Board of Tax Appeals shall consist of three members to be appointed by the Governor, which members shall during their term devote full time to the work of the Board.

(2) One member shall be appointed initially for a two year term. One member shall be appointed initially for a three year term. One member shall be appointed initially for a four year term. Thereafter, all appointments to the Board shall be for a four year term.

(3) The Governor shall designate one of the members of the Board to act as Chairman.

(4) Vacancies for unexpired terms shall be filled in the same manner as regular appointments, but the appointees shall hold office only to the end of the unexpired term of the member replaced.

Section 3. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) Each member of the Kentucky Board of Tax Appeals shall be a person at least thirty-five years of age. One member shall be an attorney with the qualifications required of candidates for circuit judge. The other two members shall be persons with general business background.

(2) The Governor may remove any member of the Board for cause after giving him a copy of the charges against him and an opportunity of being publicly heard in person or by counsel in his own defense upon not less than ten days notice. If a member of the Board is removed, the Governor shall file in the office of the Secretary of State a complete statement of all charges and his findings therein, and a complete record of the proceedings. Any member of the Board so removed may bring action in the proper court to determine whether or not he was legally removed in accordance with this section.

(3) The members of the Board shall receive an annual salary to be fixed by the Governor.

(4) The principal office of the Board shall be at Frankfort, Ken-

tucky. A majority of the Board may hold hearings outside of Frankfort or as provided in Section 9, subsection (5) of this Act, with a view to securing opportunity to taxpayers to appear before it with as little inconvenience and expense as practicable. The office of the Board shall be open during regular working hours for the conduct of its business.

Section 4. A new section of the Kentucky Revised Statutes is created to read as follows:

The Kentucky Board of Tax Appeals shall maintain the following records.

(1) A register wherein the Board shall enter by its title any proceedings appealed to it according to the date of its commencement. Thereafter, until after entry of the Board's opinion and final order, there shall be noted therein according to the date, the filing or return of any paper or process or the making of any order, ruling or other directive in or concerning such proceeding, and any other steps therein.

(2) The files of the Board consisting of all papers or other process filed with or by the Board.

Section 5. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) The Kentucky Board of Tax Appeals, subject to the provisions of Section 18.110 to Section 18.340 of the Kentucky Revised Statutes, shall appoint a Clerk of the Kentucky Board of Tax Appeals with the qualifications hereinafter prescribed, and such clerical assistance as authorized by the Department of Finance. The Clerk of the Kentucky Board of Tax Appeals shall be a person holding a degree from an accredited college or university.

(2) When any member or employee of the Board is attending hearings at any place other than Frankfort, Kentucky, expenses necessarily incurred in the performance of such duty shall be paid by the state upon certification by the chairman of the Board of an itemized statement of such expenses in accordance with Department of Finance regulations.

Section 6. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) The Kentucky Board of Tax Appeals is hereby vested with exclusive jurisdiction to hear and determine appeals from final rulings, orders and determinations of any agency of state or county government affecting revenue and taxation.

(2) Any party, including the Attorney General, on behalf of the Commonwealth, aggrieved by any ruling, order or determination of

any state or county agency charged with the administration of any taxing or licensing measure, may prosecute an appeal to the board by filing a complaint or petition of appeal before the Board within thirty days from the receipt by such aggrieved party of the agency's ruling, order, or determination.

(3) In the event the Department of Revenue is aggrieved by the decision of any county board of supervisors on an assessment recommended by the Department and prosecutes an appeal to the Kentucky Board of Tax Appeals as authorized herein, the Commissioner of Revenue shall, within twenty days, certify in writing to the Kentucky Board of Tax Appeals the assessment recommended.

The Kentucky Board of Tax Appeals shall immediately forward copies of the certification to the parties to the appeal. Such assessed value shall be prima facie evidence of the value at which the property should be assessed.

Section 7. A new section of the Kentucky Revised Statutes is created to read as follows:

Appeals to the Kentucky Board of Tax Appeals shall be in accordance with rules prescribed by the Board. All proceedings before the Board shall be de novo. Findings by the Board shall be restricted to those issues raised by the parties to the appeal. In the event the Board finds that other issues are necessary to a full determination of the controversy, it may remand the whole proceedings to the agency from which the appeal was prosecuted for further determination. The parties may stipulate to the determination of such other issues without remand.

Section 8. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) Any member of the Kentucky Board of Tax Appeals, on the request of any party to the proceedings before it or his attorney, shall issue subpoenas requiring the attendance of witnesses and the giving of testimony and subpoena duces tecum requiring the production of any returns, books, papers, documents, correspondence, and other evidence pertaining to the matter under inquiry in accordance with the Rules of Civil Procedure.

(2) Any party to a proceeding before the Board or his attorney may cause depositions to be taken of witnesses who reside within or without the state in the manner prescribed under the Rules of Civil Procedure.

(3) If any person fails or refuses to obey any lawful process of the Board it may apply ex parte to the Franklin Circuit Court or the circuit court of the county in which it is sitting for an order of contempt to be enforced as a contempt of court.

(4) Any member or any employe of the Board may be designated in writing by the chairman to administer oaths.

Section 9. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) Hearings before the Kentucky Board of Tax Appeals shall be public.

(2) All proceedings before the Board shall be officially reported and all records of proceedings shall be public records.

(3) Expenses of such hearings shall be paid by the state from the appropriation for the Board. Any party desiring a copy of the transcript of evidence, shall pay the cost thereof as provided by the rules of the Board.

(4) The Board may contract for the reporting of its proceedings. It may fix the terms and conditions under which transcripts will be supplied by the reporter to the Board and other persons and agencies.

(5) All appeals to the Kentucky Board of Tax Appeals shall be heard by the full Board, provided that one member may be authorized to hear an individual appeal by an order entered on the records of the Board. Such order shall be signed by all members of the Board. The decision in any appeal heard by a single member shall be made and entered by a majority of the Board.

Section 10. A new section of the Kentucky Revised Statutes is created to read as follows:

The Kentucky Board of Tax Appeals shall make written findings on which its orders, decisions, or determinations are based. The Board may affirm, reverse, modify or remand the order of an agency appealed from, and in case of modifications, reversal, or remand, it shall state why the original order is erroneous. In the case of any appeal, any taxes, interest or penalty paid but found by the Board to be in excess of that legally due shall be ordered refunded to the taxpayer.

Section 11. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) The orders, decisions, or determinations of the Kentucky Board of Tax Appeals shall be binding upon all parties until changed or modified by the courts of this state. If no appeal to the courts is prosecuted, the decision of the Board shall constitute a final determination.

(2) Any changes in ad valorem property tax assessment rolls, tax bills or the application by any agency of the tax laws of the state shall be in conformity with the Board's final determination,

Section 12. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) Any party aggrieved by any final order, decision, or determination of the Kentucky Board of Tax Appeals, except on appeals from a county board of supervisors, may within thirty days after such order, decision, or determination becomes final file a petition of appeal on any question of law to the Franklin Circuit Court. Any such final orders entered on the rulings of a county board of supervisors may be appealed in like manner to the circuit court of the county in which the appeal originated. A copy of the petition of appeal shall be filed with the Board and all other parties against whom the appeal is prosecuted.

(2) The petition shall state fully the grounds upon which a review is sought, and assign all errors relied on. Summons shall issue upon the petititon directing the adverse party to file answer within twenty days after service thereof and directing the Board to send its entire original record, properly bound, to the clerk of the circuit court, after certifying that such record is its entire original record, which shall be filed by the clerk of the circuit court and such record shall then become and be considered by the circuit court on the review.

(3) No new or additional evidence may be introduced in the circuit court except as to the fraud or misconduct of some person engaged in the administration of this Act and affecting the order, ruling or award, but the court shall otherwise hear the cause upon the record as certified by the Board and shall dispose of the cause in summary manner, its review being limited to determining whether or not:

(a) The board acted without or in excess of its powers;

(b) The order, decision, or award was procured by fraud;

(c) The order, decision, or award is not in conformity to the provisions of this Act; and

(d) If findings of fact are in issue, whether such findings of fact support the order, decision or award.

(4) The court shall enter judgment affirming, modifying, or remanding the order in its discretion. The court may, before judgment, upon the showing of sufficient cause, remand the entire matter to the Board for further consideration.

(5) Any party may appeal to the Court of Appeals as provided by the Rules of Civil Procedure.

Section 13. Section 131.110 of the Kentucky Revised Statutes is amended to read as follows:

(1) The Department of Revenue or its agent shall mail to the taxpayer a notice of any tax assessed by it or its agent. Unless the

taxpayer protests the assessment in the manner provided in this subsection, the assessment shall be final at the expiration of thirty days from the date of notice, but the assessment shall be reviewable as provided by law [in subsection (2)]. Such protest shall be filed with the Department of Revenue in writing and shall be accompanied by a supporting statement setting forth the grounds for and information upon which the protest is made. Upon written request, the department may extend the time for filing the supporting statement if it appears that the delay is necessary and unavoidable. A refusal of such an extension may be reviewed in the same manner as in the case of a protested assessment. At the time of filing both the protest and supporting statement, the taxpayer may request a ruling on the protest as filed or may request a conference with the department or its agent which shall be granted in writing stating the time set for the conference. The taxpayer may appear in person or by representative. After considering the taxpayer's protest, including any matters presented at such a conference, the department or its agent shall issue a final ruling thereon which shall be mailed to the taxpayer. The tax shall be due and payable upon the date the assessment becomes final unless the taxpayer *appeals to the Kentucky Board of Tax Appeals* [petitions the Kentucky Tax Commission for a review thereof as provided in subsection (2)].

(2) [Within fifteen days after an unprotested assessment by the Department of Revenue has become final, or within fifteen days from the date of notice of a final ruling by the Department of Revenue on a protested assessment, or within fifteen days from the date of notice of any final ruling, order or finding of the Department of Revenue, the taxpayer may petition the Kentucky Tax Commission for a review of the final action of the department. The petition shall be filed in quadruplicate and shall in a concise manner state the issue or issues involved, the facts, the basis of the taxpayer's contention, the assessment or portion thereof being protested, and, if desired, a request for a formal or informal hearing.] When an assessment by the Department of Revenue is protested, the *Kentucky Board of Tax Appeals* [Commission] may order the Department to certify the unprotested portion immediately and the taxes on the unprotested portion shall be paid in the usual manner and time. When the protest is finally disposed of, the department shall further certify any additional assessment provided for in the *Kentucky Board of Tax Appeals* [Commission] or court order. A copy of the final decision of the Board shall be mailed to the taxpayer after it has considered all of the evidence and facts presented. If the *Kentucky Board of Tax Appeals* [Commission] reviews an assessment, the taxes determined to be owing shall be due and payable thirty days after the date of notice of the decision of the Board.

Section 14. Section 132.460 of the Kentucky Revised Statutes is amended to read as follows:

The county tax commissioner shall attend all hearings before the county board of supervisors and before the *Kentucky Board of Tax Appeals* [Kentucky Tax Commission] relative to his assessment and submit to examination and fully disclose to them such information as he may have and any other matters pertinent to the inquiry being made. He shall be entitled to reimbursement from the county for expenses incurred in official business outside his county. If the Department of Revenue directs him to perform official duties outside of his county, the expenses shall be paid from the appropriation for the payment of the salaries of the county tax commissioners. Such reimbursement shall be paid on the same basis as employes of the Commonwealth are paid for travel expenses. [It shall be the duty of any person whose term as tax commissioner expires in 1950 to attend hearings of the board of supervisors and of the Kentucky Tax Commission held after his term has expired, which concern any assessment made by him and furnish them the information above required, and he shall receive three dollars per diem for these additional duties, which compensation shall be paid in the same manner that members of the board of supervisors are paid.]

Section 15. Section 132.620 of the Kentucky Revised Statutes is amended to read as follows:

(1) The Department of Revenue shall recover from any county tax commissioner all compensation paid to him for assessments that were unauthorized or excessive when and to the extent it is determined by a final order of the board of supervisors, *Kentucky Board of Tax Appeals* [Kentucky Tax Commission], or a court of competent jurisdiction that such assessments were unauthorized or excessive. Whenever the county tax commissioner fails to render the services required of him or he performs any of his duties in such a manner as to fail to comply substantially with the requirements of the law, he shall be required to pay a sum that will reasonably compensate the Commonwealth of Kentucky for its costs in rendering the duties required to be performed by the county tax commissioner. The Department of Revenue shall notify the county tax commissioner by registered mail of any amount charged to be due under this section and a statement of the reasons therefor. The county tax commissioner shall be entitled to a hearing before the *Kentucky Board of Tax Appeals* [Kentucky Tax Commission], and an appeal may be taken from the final action of the *Kentucky Board of Tax Appeals* [Kentucky Tax Commission] to the courts as provided by law.

(2) Any sum that may become due from any tax commissioner by reason of this section may be deducted from any amount that the Commonwealth of Kentucky may become obliged to pay such county

tax commissioner, or it may be collected from the bondsman of the tax commissioner.

Section 16. Section 133.150 of the Kentucky Revised Statutes is amended to read as follows:

The *Department of Revenue* [Kentucky Tax Commission] shall equalize each year the assessments of the property among the counties. It shall compare the recapitulation of the county tax commissioner's books from each county with the records of sales of land in such county or with such other information that it may obtain from any source and shall determine the ratio of the assessed valuation of the property to the fair cash value. The *Department of Revenue* [Kentucky Tax Commission] shall have power to increase or decrease the aggregate assessed valuation of the property of any county or taxing district thereof or any class of property or any item in any class of property. The *Department of Revenue* [Kentucky Tax Commission] shall fix the assessment of all property at its fair cash value. When the property in any county, or any class of property in any county, is not assessed at its fair cash value, such assessment shall be increased or decreased to its fair cash value by fixing the percentage of increase or decrease necessary to effect the equalization.

Section 17. Section 133.160 of the Kentucky Revised Statutes is amended to read as follows:

When it is contemplated by the *Department of Revenue* [Kentucky Tax Commission] that it will be necessary to raise the assessed valuation of property in any county, it shall give notice of the contemplated action to the county court, the superintendent of any school district affected by such action, the mayor of any city which is affected and which has adopted the assessment, and to the taxpayers of that county through the county judge, who shall post the notice sent him on the courthouse door and certify to the Department of Revenue that this has been done, and it shall fix a time and place for a hearing which may be in Frankfort or any convenient place in or nearer the county seat. If the property of an individual owner is singled out for an increase, the owner shall be notified by the Department of Revenue by registered mail. [The increase of an assessment of property of an individual owner may be reviewed or appealed from only in the manner provided in subsection (2) of KRS 131.110 and in KRS 131.120.]

Section 18. Section 133.170 of the Kentucky Revised Statutes is amended to read as follows:

(1) When the *Department of Revenue* [Kentucky Tax Commission] has completed its equalization of the assessment of the property in any county, it shall certify its action to the county judge, with a copy of the certification for the county clerk, to be laid before the

fiscal court of the county. [The fiscal court, in a regular or special session, may direct that the equalization be submitted to the courts for review and correction if it is of the opinion that the equalization is unfair and unjust to the taxpayers of the county.]

(2) If the fiscal court deems it proper to ask for a review of the equalization, *it shall direct the county attorney to prosecute an appeal to the Kentucky Board of Tax Appeals as provided by law.* [it shall pass a resolution to that effect, a copy of which shall be forwarded to the Kentucky Tax Commission within ten days after the final certification has been placed in the hands of the county clerk. Within ten days from the date the final certification was placed in the hands of the county clerk, the fiscal court of the county, through the county attorney, may prepare a statement showing in detail wherein the action of the commission is unfair or unjust to the county, and file it in the office of the circuit court clerk of Franklin County. A copy of the statement shall at the same time be filed with the commission. Within fifteen days thereafter the commission, through the Attorney-General, may file an answer. Within fifteen days after the answer is filed, the county shall prepare and file its proof in support of its contentions, which may be by affidavits or depositions, and within fifteen days after the county has filed its proof, the commission shall prepare and file proof in support of its position, which may be by affidavits or depositions. When the proof is thus filed, the circuit court clerk shall forthwith place in the hands of the judge of the Franklin circuit court all papers and proofs, and the judge shall hear and render judgment in the controversy within ten days after the papers are placed in his hands. The judgment shall be returned by him to the circuit court clerk, who shall enter it as the judgment in the controversy. It shall have the same effect as a judgment duly entered at a regular term and shall be binding on all parties, and conclusive of the controversy unless an appeal is taken.]

[(3) If either party is dissatisfied with the judgment he may appeal to the Court of Appeals. The appeal shall be in accordance with the Rules of Civil Procedure, except that the notice of appeal shall be filed in the circuit court, and the record shall be filed in the Court of Appeals, within ten days after the entry of the judgment. The entire original record shall be filed and no designation of record shall be required. The appeal shall immediately be placed upon the docket of the Court of Appeals and shall take precedence over other cases.]

[(4) If the judgment of the circuit court upholds the action of the Kentucky Tax Commission, the county clerk shall proceed in accordance with the directions previously certified; if the judgment modifies the certification, the commission shall make a new certification in accordance with the judgment. If an appeal is taken from the judgment of the circuit court, all proceedings shall be suspended until the matter is determined by the Court of Appeals. If the action of the Kentucky Tax Commission is upheld by the Court of Appeals, the county clerk shall proceed in accordance with the original certification; if the action is modified by the decision of the Court of Appeals, a new certification shall be made in conformity to the decision. No petition for rehearing shall be filed.]

Section 19. Section 133.180 of the Kentucky Revised Statutes is amended to read as follows:

When the *Department of Revenue* [Kentucky Tax Commission] has completed its action on the assessment of property in any county, it shall, not later than June 20, certify to the county clerk the assessment and the amount of taxes due [with a copy of such certification to the Department of Revenue]. The Department of Revenue shall charge the amount of taxes due from the county to the sheriff of the county. When any item of property is in process of appeal [as provided in KRS 133.120] and the valuation has not been finally determined, the certification of such property shall be based on the valuation claimed by the taxpayer as the true value. The county clerk shall affix the certification to the tax books and enter it of record in the order book, and it shall be the sheriff's or collector's warrant for the collection of taxes.

Section 20. Section 133.181 of the Kentucky Revised Statutes is amended to read as follows:

If the *Department of Revenue* [Kentucky Tax Commission], in making its equalization of the property in any county, causes any increase or decrease to be made in the value of any property, the county court clerk shall correct the tax books to comply with the final certification of the assessment by the *Department* [commission]. As compensation for his services, the clerk shall receive three dollars per day for as many days as are necessary to make the corrections but not to exceed a total of ten days. One-half of such amount shall be paid out of the county levy and one-half out of the State Treasury. Such sums shall be paid at the same times and in the same manner as is the clerk's compensation for preparing the taxbills under KRS 133.240 (2).

Section 21. Section 133.185 of the Kentucky Revised Statutes is amended to read as follows:

No tax rate for any taxing district imposing a levy upon the county assessment shall be determined before the assessment is certified by the *Department of Revenue* [Kentucky Tax Commission] to the county court clerk as provided in KRS 133.180.

Section 22. Section 133.215 of the Kentucky Revised Statutes is amended to read as follows:

The sheriff shall be entitled to a fee of twenty-five cents for serving a subpoena for the board of supervisors. He shall also have a fee of twenty-five cents for serving a subpoena or notice for the *Kentucky Board of Tax Appeals* [Kentucky Tax Commission] regarding any proceeding for the assessment of property subject to local taxation. Said fees shall be paid out of the county levy.

Section 23. Section 133.220 of the Kentucky Revised Statutes is amended to read as follows:

(1) The Department of Revenue annually shall furnish to each county clerk tax bill forms designed for adequate accounting control sufficient to cover the taxable property on the rolls. These tax bill forms shall be furnished not later than ten days after the *Department of Revenue* [Kentucky Tax Commission] has rendered its certification. The county annually shall furnish the county clerk with sufficient tax bill forms for his use in the preparation of tax bills for all taxpayers who are liable for a poll tax and who own no property assessed for taxation.

(2) After receiving the forms the county clerk shall make out for the use of the sheriff or collector a correct tax bill for each taxpayer in the county whose property has been assessed and whose valuation is included in the certification provided in KRS 133.180. If the bills are bound, the cost of binding shall be paid out of the county levy. Each tax bill shall show the rate of tax upon each one hundred dollars worth of property for state, county, and school purposes; the name of the taxpayer and his mailing address; the number of acres of farm land and its value; the number of lots and their value; the amount and value of notes and money; the value of mixed personal property; the county poll; the school poll; the school tax; and the total amount of taxes due the state, county, school fund, and other levies. [The county clerk shall attest each bill by signing it officially.] Provision shall be made for the sheriff to have a stub, duplicate, or other proper evidence of receipt of payment of each tax bill.

(3) Tax bills prepared in accordance with the certification of the *Department of Revenue* [Kentucky Tax Commission] shall be delivered to the sheriff or collector by the county clerk before September 15 of each year. The clerk shall take a receipt showing the number of tax bills and the total amount of tax due each taxing district as shown upon the tax bills. The receipt shall be signed and acknowledged by the sheriff or collector before the county clerk, filed in the county court, and recorded in the order book of the county court in the manner required by law for recording the official bond of the sheriff.

(4) Upon delivery to him of the tax bills, the sheriff or collector shall mail a notice to each taxpayer, showing the total amount of taxes

due the state, county, school fund, and other levies, the date on which the taxes are due, and any discount to which the taxpayer may be entitled upon payment of the taxes prior to a designated date.

Section 24. Section 137.160 of the Kentucky Revised Statutes is amended to read as follows:

(1) When the Department of Revenue has received the reports provided for in KRS 137.130, it shall, upon such reports and such other reports and information as it may secure, assess the value of all grades or kinds of crude petroleum reported for each month.

(2) Where the report shows no sale of crude petroleum during the month covered by the report, the market value of crude petroleum on the first business day after the tenth day of the month in which the report is made shall be fixed by the department as the assessed value of all crude petroleum covered by the report. Where the report shows that all crude petroleum reported has been sold during the month covered by the report, the market price of such crude petroleum on each day of sale shall be the assessed value of all crude petroleum sold on that date of sale, and the total amount of the tax to be reported as the assessment on the report shall be the total of the assessments made on such sales. If the report shows that part of the crude petroleum reported has been sold and part remains unsold, the market price of the crude petroleum on the first business day after the tenth day of the month following the month covered by the report shall be fixed as the assessed value of the portion of the crude petroleum unsold, the market price of the crude petroleum on each day of sale shall be the assessed value of the portion sold, and the total amount of the tax to be reported as the assessment on the report shall be the total of the assessments made on the sold and unsold crude petroleum. The department, in making its assessments, shall take into consideration transportation charges.

(3) The department shall, by the last day of the month in which the reports are required to be made, notify each transporter of his assessment, and certify the assessment to the county clerk of each county that has reported the levy of a county tax under KRS 137.150. The county clerk shall immediately deliver a copy thereof to the sheriff for collection of the county tax. The transporter so notified of the assessment shall have *the right to an appeal to the Kentucky Board of Tax Appeals* [until the twentieth day of the month following notice in which to be heard by the Kentucky Tax Commission on any objection to the assessment; the assessment shall become final on the twentieth day of the month and the tax shall be due and payable on that day].

Section 25. Section 138.165 of the Kentucky Revised Statutes is amended to read as follows:

(1) It is declared to be the legislative intent of KRS 138.130 to 138.205 that any untaxpaid cigarettes held, owned, possessed, or in control of any person other than as provided in KRS 138.130 to 138.205 are contraband and subject to seizure and forfeiture as set out in this section.

(2) Whenever any peace officer of this state, or any representative of the department, finds any untaxpaid cigarettes within the borders of this state in the possession of any person other than a licensee authorized to possess untaxpaid cigarettes by the provisions of KRS 138.130 to 138.205, such cigarettes shall be immediately seized and stored in a depository to be selected by such officer or agent. At the time of such seizure, the officer or agent shall deliver to the person in whose custody such cigarettes are found a receipt for such cigarettes. The receipt shall state on its face that any inquiry concerning any such goods seized shall be directed to the Commissioner of Revenue, Frankfort, Kentucky. Immediately upon such seizure, the officer or agent shall notify the Commissioner of Revenue of the nature and quantity of the goods seized. Any such seized goods shall be held for a period of twenty days and if after such period no person has claimed such cigarettes as his property, the commissioner shall cause the same to be exposed to public sale to any person authorized to purchase untaxpaid cigarettes. Such sale shall be on notice to be published in a newspaper as defined in KRS Chapter 424, and at a time not less than seven nor more than fourteen days after the date of such publication. All proceeds, less the cost of sale, from any such sale shall be paid into the Kentucky State Treasury for general fund purposes.

(3) It is declared to be the legislative intent that any vending machine used for dispensing cigarettes on which Kentucky cigarette tax has not been paid is contraband and subject to seizure and forfeiture. In the event any peace officer or agent of the department finds any vending machine within the borders of this state dispensing untaxpaid cigarettes, he shall immediately seize any such vending machine and store the same in a safe place to be selected by him. He shall thereafter proceed as provided in subsection (2) of this section and the Commissioner of Revenue shall cause any such vending machine to be sold, and the proceeds applied, as set out in subsection (2) of this section.

(4) No cigarettes, on which the tax imposed by KRS 138.130 to 138.205 has not been paid, shall be transported within this state by any person other than a manufacturer or a person licensed under the provisions of KRS 138.195. It is declared to be the legislative intent that any motor vehicle used to transport any such cigarettes by other persons is contraband and subject to seizure and forfeiture. In the event any peace officer or agent of the department finds any such motor vehicle, he shall immediately seize such motor vehicle

and store it in a safe place to be specified by him. He shall thereafter proceed as provided in subsection (2) of this section and the Commissioner of Revenue shall cause any such motor vehicle to be sold, and the proceeds applied, as set out in subsection (2) of this section.

(5) The owner or any person having an interest in any goods, machines or vehicles seized as provided under subsections (1) to (4) of this section may apply to the Commissioner of Revenue for remission of the forfeiture for good cause shown. If it is shown to the satisfaction of the Commissioner of Revenue that the owner was without fault in the possession, dispensing or transportation of such untaxpaid cigarettes, he shall remit the forfeiture. In the event he determines that such possession, dispensing or transportation of untaxpaid cigarettes was wilful or intentional he may nevertheless remit the forfeiture on condition that the owner pay a penalty to be prescribed by him of not more than fifty percent of the value of the thing forfeited. All taxes due on untaxpaid cigarettes shall be paid in addition to such penalty, if any.

(6) *Any party aggrieved by an order entered hereunder may appeal to the Kentucky Board of Tax Appeals in the manner provided by law.* [An appeal shall be taken from any order entered by the Commissioner of Revenue in any forfeiture provided for by this section, which appeal shall be prosecuted as provided by KRS 131.110 and 131.120.]

Section 26. Section 138.195 of the Kentucky Revised Statutes is amended to read as follows:

(1) No person other than a manufacturer shall acquire cigarettes in this state on which the Kentucky cigarette tax has not been paid, nor act as a resident wholesaler; nonresident wholesaler, vending machine operator, sub-jobber, transporter or unclassified acquirer of such cigarettes without first obtaining a license from the department as set out in this section.

(2) Each resident wholesaler shall secure a separate license for each place of business at which cigarette tax evidence is affixed or at which cigarettes on which the Kentucky cigarette tax has not been paid are received. Each nonresident wholesaler shall secure a separate license for each place of business at which evidence of Kentucky cigarette tax is affixed or from where Kentucky cigarette tax is reported and paid. Such a license or licenses shall be secured on or before July 1 of each year, and each licensee shall pay the sum of twenty-five dollars for each such year or portion thereof for which such license is secured.

(3) Each sub-jobber shall secure a separate license for each place of business from which Kentucky tax-paid cigarettes are made available to retailers, whether such place of business is located within

or without this state. Such license or licenses shall be secured on or before July 1 of each year, and each licensee shall pay the sum of twenty-five dollars for each such year or portion thereof for which such license is secured.

(4) Each vending machine operator shall secure a license for the privilege of dispensing Kentucky tax-paid cigarettes by vending machines. Such license shall be secured on or before July 1 of each year, and each licensee shall pay the sum of five dollars for each year or portion thereof for which such license is secured. No vending machine shall be operated within this Commonwealth without having prominently affixed thereto the name of its operator, together with the license number assigned to such operator by the department. The department shall prescribe by regulation the manner in which the information shall be affixed to the vending machine.

(5) Each transporter shall secure a license for the privilege of transporting cigarettes within this state. Such license shall be secured on or before July 1 of each year, and each licensee shall pay the sum of five dollars for each such year or portion thereof for which such license is secured. No transporter shall transport any cigarettes without having in actual possession an invoice or bill of lading therefor, showing the name and address of the consignor and consignee, the date acquired by the transporter, the name and address of the transporter, the quantity of cigarettes being transported, together with the license number assigned to such transporter by the department.

(6) Each unclassified acquirer shall secure a license for the privilege of acquiring cigarettes on which the Kentucky cigarette tax has not been paid. Such license shall be secured on or before July 1 of each year, and each licensee shall pay the sum of five dollars for each such year or portion thereof for which such license is secured.

(7) Nothing in KRS 138.130 to 138.205 shall be construed to prevent the department from requiring a person to purchase more than one license if the nature of such person's business is so diversified as to justify such requirement.

(8) The department may by regulation require any person licensed under the provisions of this section to supply such information concerning his business, sales or any privilege exercised, as is deemed reasonably necessary for the regulation of such licensees, and to protect the revenues of the state. Failure on the part of such licensee to comply with the provisions of KRS 138.130 to 138.205 or any regulations promulgated thereunder, or to permit an inspection of premises, machines or vehicles by an authorized agent of the department at any reasonable time shall be grounds for the revocation of any license issued by the department, after due notice and a hearing by the department. The Commissioner of Revenue may assign a time and place

for such hearing and may appoint a conferee who shall conduct a hearing, receive evidence and hear arguments. Such conferee shall thereupon file a report with the commissioner together with a recommendation as to the revocation of such license. *From any revocation made by the Commissioner of Revenue on such report, the licensee may prosecute an appeal to the Kentucky Board of Tax Appeals as provided by law.* [In the event the commissioner directs a revocation of such license upon such report, an appeal may be had in accordance with KRS 131.110 and 131.120.] Any person whose license has been revoked for the wilful violation of any provision of KRS 138.130 to 138.205 shall not be entitled to any license provided for in this section, or have any interest in any such license, either disclosed or undisclosed, either as an individual, partnership, corporation or otherwise, for a period of one year after such revocation.

(9) No license issued pursuant to the provisions of this section shall be transferable or negotiable.

(10) Every manufacturer located or doing business in this state shall keep written records of all shipments of cigarettes to persons within this state, and shall submit reports of such shipments as the department may require by regulation.

(11) No person licensed under this section except non-resident wholesalers shall either sell to or purchase from any other such licensee untaxpaid cigarettes.

Section 27. Section 138.340 of the Kentucky Revised Statutes is amended to read as follows:

(1) If any dealer or transporter required to be licensed under KRS 138.310 files a false monthly report of the data or information required by KRS 138.220 to 138.280, or fails, refuses or neglects to file the monthly report required by those sections, even though no tax is due, or to pay the full amount of tax as required by those sections, or fails to meet the qualifications of a dealer as set out in KRS 138.210 (2), or violates any other provision of this chapter, said dealer or transporter may be cited by the Department of Revenue to show cause at a public hearing before the *Kentucky Board of Tax Appeals* [Kentucky Tax Commission] why his license should not be revoked [by the commission]. Such licensee shall be notified by registered letter or summons. The letter or summons shall appraise the licensee of the charge or charges made against him and he shall have a reasonable opportunity to be heard before his license may be revoked. The summons may be served in the same manner and by the same officers or persons as provided by the Kentucky Civil Code of Practice, or it may be served in said manner by an employe of the Department of Revenue. The hearing shall be set at least five days after the summons is served or the letter delivered. Any aggrieved

licensee may appeal from an order *of revocation of the Kentucky Board of Tax Appeals as provided by law,* [of the Kentucky Tax Commission in the manner provided for appeals from other of its rulings] subject to the condition that the licensee has made bond sufficient in the opinion of the Department of Revenue to protect the Commonwealth from loss of revenue.

(2) The department is hereby given the power to cancel the license upon request in writing from licensee such cancellation to become effective sixty days from the date of receipt of the request. But no license shall be cancelled upon the request of any licensee until and unless said licensee, prior to the date of such cancellation, pays to the state all excise taxes payable under the laws of the state together with any and all penalties and fines accruing by reason of any failure on the part of such licensee to make accurate reports as required or pay such taxes and penalties.

Section 28. Section 138.354 of the Kentucky Revised Statutes is amended to read as follows:

(1) No person shall make a false or fraudulent statement in an application for a refund permit or in a gasoline refund invoice, or in an application for a refund of any taxes *as set out in* KRS 138.343 to 138.357; or fraudulently obtain a refund of such taxes; or knowingly aid or assist in making any such false or fraudulent statement or claim; or having bought gasoline under the provisions of KRS 138.343 to 138.357, shall use or permit such gasoline or any part thereof to be used for any purpose other than as provided in KRS 138.344.

(2) The refund permit of any person who shall violate any provision of subsection (1) of this section *may be revoked by the Department of Revenue subject to appeal to the Kentucky Board of Tax Appeals as provided by law* [shall be revoked by the Kentucky Tax Commission], and may not be reissued until two years have elapsed from the date of such revocation.

(3) The refund permit of any person who shall violate any provision of KRS 138.343 to 138.357, other than those contained in subsection (1) of this section, may be suspended by the *Department of Revenue* [Kentucky Tax Commission] for any period in its discretion not exceeding six months [.] *with the right of appeal to the Kentucky Board of Tax Appeals.*

(4) If a dealer violates any provision of KRS 138.343 to 138.357, his privilege to sign gasoline refund invoices may be suspended by the *Department of Revenue* [Kentucky Tax Commission] for a period of not more than two years [.] *subject to appeal to the Kentucky Board of Tax Appeals.* No refund shall be made on gasoline purchased from a dealer while a suspension of his privilege to sign gasoline refund invoices is in effect.

Section 29. Section 138.355 of the Kentucky Revised Statutes is amended to read as follows:

If the department reasonably believes that any dealer or refund permit holder has been guilty of a violation of KRS 138.343 to 138.357, which would subject the dealer or permit holder to a suspension or revocation of his license or permit under the provisions of subsections (2), (3) or (4) of KRS 138.354, said dealer or permit holder may be cited by the department to show cause at a public hearing before the *Department of Revenue* [Kentucky Tax Commission] why his license or permit should not be suspended or revoked. The dealer or refund permit holder shall be notified by registered letter [or summons]. The letter [or summons] shall inform the dealer or refund permit holder of the charge or charges made against him and he shall have a reasonable opportunity to be heard before his license or permit may be revoked or suspended. *The hearing shall be set at least five days after the receipt of the letter. Any aggrieved dealer or refund permit holder may appeal any order entered to the Kentucky Board of Tax Appeals as provided by law* [The summons may be served in the same manner and by the same officers or persons as provided in the Kentucky Civil Code of Practice, or it may be served in said manner by an employe of the department. The hearing shall be set at least five days after the summons is served or the letter delivered. Any aggrieved dealer or refund permit holder may appeal from an order of the Kentucky Tax Commission to the Franklin circuit court in the manner provided for appeals from other of its rulings], subject to the condition that he make bond sufficient in the opinion of the department to protect the Commonwealth from loss of revenue.

Section 30. Section 141.124 of the Kentucky Revised Statutes is amended to read as follows:

In the case of any corporation transacting business both within and without this state, the Department of Revenue may authorize or require such corporation to determine its net income within this state by means of separate accounting, provided (a) that the net business income allocable to Kentucky under the formula prescribed by KRS 141.120 is substantially greater or lesser than the actual amount of net business income attributable to this state, and (b) that its accounting records clearly reflect such net income on a separate accounting basis. Any taxpayer aggrieved by the decision of the department may appeal to the *Kentucky Board of Tax Appeals.* [Kentucky Tax Commission and the Franklin Circuit Court in the manner and subject to the conditions provided in KRS 131.110 and 131.120. This section shall apply to all taxable years commencing on or after January 1, 1962.]

Section 31. Section 186.070 of the Kentucky Revised Statutes is amended to read as follows:

(1) Every manufacturer of, or dealer in, motor vehicles in this

state shall register with each county clerk in which his principal office or place of business and any branch office or sub-agent or agency is located, and pay an annual registration fee of twenty-five dollars to each clerk. Upon receipt of this fee, the clerk shall issue the manufacturer or dealer a certificate of registration and one dealer plate. Every manufacturer or dealer registered under this section shall be furnished additional dealer's plates upon the payment of five dollars for each plate so desired. A motor vehicle bearing dealer's plates may be used only by a member of the firm registered or by a bona fide salesman or employe of the firm for any purpose reasonably connected with the sale or demonstration for sale and delivery of the dealer's motor vehicles, or by any manufacturer or dealer licensed as provided above in transporting any motor vehicle over the highways of this state to his place of retail business from a manufacturer or wholesale dealer in motor vehicles. Any dealer in motor vehicles may allow any bona fide customer or the customer's employes to use the dealer's tag on the motor vehicle that is being demonstrated. This provision shall be limited to one trip or demonstration to the same prospective customer.

(2) Each manufacturer and dealer when making application for dealer's plates shall file a verified statement with the clerk, giving the name and address of each member of the firm and each bona fide salesman or employe entitled to the use of the plates for demonstration purposes only. When any bona fide salesman or employe so registered is no longer in the employ of the firm, an amended verified statement shall be filed with the clerk showing that fact, and when any additional salesmen or employes are employed, an amended verified statement showing their names and addresses shall be filed with the clerk so that the records in the clerk's office will at all times show the bona fide salesmen and employes actually in the service of the registered dealer or manufacturer.

(3) *The license of any dealer or manufacturer may be revoked by the Department of Revenue for the violation of any of the provisions of this section. Such manufacturer or dealer shall be given an opportunity to be heard in defense of the charge that he has violated any of the provisions of this section and the Department of Revenue shall adopt and promulgate rules and regulations governing the procedure for such revocation. Provided, however, that any manufacturer or dealer whose license is so revoked may prosecute an appeal to the Kentucky Board of Tax Appeals as provided by law.* [Any manufacturer or dealer violating any of the provisions of this section may be cited by the Department of Revenue to show cause at a public hearing before the Kentucky Tax Commission why his dealer's license should not be suspended and his dealer's plates cancelled by the commission. The manufacturer or dealer shall be notified by registered letter or summons. Upon cause the Kentucky Tax Commission shall

have the power to suspend for the period of not less than thirty days nor more than ninety days the manufacturer's or dealer's license and to cancel his dealer's plates. The aggrieved manufacturer or dealer may appeal from the ruling of the Kentucky Tax Commission according to the provisions of KRS 131.120.] Such manufacturer or dealer whose license has been suspended is prohibited from engaging in the business of selling or buying motor vehicles. The license of any manufacturer or dealer shall be revoked for a period of one year and his dealer's plates cancelled in the event he violates any of the provisions of this section during this suspension period or has been suspended by the *department* [commission] more than twice for violations of this section. At the end of the revocation or suspension period the manufacturer or dealer whose license has been revoked or suspended and dealer's plates cancelled may follow the provisions of this section and again be registered and secure dealer's plates from the clerk.

(4) The Department of Revenue shall be responsible for the administration of this section, and is empowered to promulgate rules and regulations pertaining to the administration thereof.

Section 32. Section 186.076 of the Kentucky Revised Statutes is amended to read as follows:

The Department of Revenue may revoke the license of any motor vehicle dealer who acquires a used motor vehicle for cash, trade-in, or in any other manner, and fails to have the registration transferred to him prior to the time the vehicle is sold or otherwise transferred to another person. Such person shall be afforded a full opportunity to defend himself against any such charge under rules and regulations adopted by the Department of Revenue governing the procedure for such revocation action. Provided, however, that such dealer shall have the right to appeal any order of revocation entered by the Department of Revenue to the Kentucky Board of Tax Appeals as provided by law.

[If a motor vehicle dealer acquires a used motor vehicle by cash trade-in or in any other manner and fails to have the registration transferred to his name prior to the time the vehicle is sold or otherwise transferred to another person, he shall be cited by the Department of Revenue to show cause at a public hearing before the Kentucky Tax Commission why his dealer's license should not be revoked and his dealer's plates cancelled by the commission.]

Section 33. Section 132.140 of the Kentucky Revised Statutes is amended to read as follows:

(1) The reports required by KRS 132.130 shall be submitted to the department, and the department shall fix the value of the spirits for the purpose of taxation, assess the same at its fair cash value, estimated at the price it would bring at a fair voluntary sale, and keep a record of its valuations and assessments in a book provided for that purpose. The record shall be evidence in all courts of the proceedings

of the *department* [commission]. The department shall immediately notify the owner or proprietor of the warehouse of the amount fixed.

(2) If any owner, proprietor or custodian of a distillery bonded warehouse fails to make the report required by KRS 132.130, the department shall ascertain the necessary facts required to be reported. For that purpose the department shall have access to the records of the owner, proprietor or custodian, and the assessment shall be made and taxes collected thereon, with interest and penalties, as though regularly reported.

Section 34. Section 133.120 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any taxpayer aggrieved by an assessment made by the tax commissioner may appeal to the board of supervisors. A letter or other written petition stating the reasons for appeal shall be filed with the county clerk between the date the inspection period begins and the date the board of supervisors convenes. The board of supervisors may review and change any assessment made by the tax commissioner upon recommendation of the tax commissioner, Department of Revenue, county judge, chief finance officer of any city using the county assessment or the superintendent of any school district in which the property is located, provided, such recommendation is made to the board in writing specifying the property recommended for review. If the board of supervisors determines that any such assessment should be increased, then it shall give the taxpayer notice in the manner required by subsection (2) of KRS 132.450, specifying a date when the board will hear the taxpayer, if he so desires, in protest of such increase.

(2) The board of supervisors shall hold a public hearing for all appeals in protest of the action of the tax commissioner, and after hearing all the evidence, shall make such changes as it deems necessary to equalize assessments. The board shall report to the tax commissioner any property omitted from the tax roll. The tax commissioner shall assess such property and immediately give notice to the taxpayer in the manner required by KRS 132.450 (2), specifying a date when the board of supervisors will hear the taxpayer, if he so desires, in protest of the action of the tax commissioner.

(3) The board of supervisors shall have power to issue subpoenas, compel the attendance of witnesses, and adopt rules and regulations concerning the conduct of its business. Any member of the board shall have power to administer oaths to any witness in proceedings before the board.

(4) [Any taxpayer feeling himself aggrieved by the final action of the board of supervisors may within fifteen days after its adjournment appeal to the Kentucky Tax Commission by filing a statement of the grounds for his appeal and a certified copy of the action of

the board of supervisors. The tax commissioner, the county judge, the Department of Revenue, the chief finance officer of any city using the county assessment, if the city elects to do so, or the superintendent of any school district in which property reviewed by the board of supervisors is located, may appeal to the Tax Commission in the same manner as a taxpayer. The party making the appeal shall give notice in the manner provided by the Civil Code of Practice to all other parties entitled by this section to appeal. The Tax Commission, sitting in the county in which the property is located shall hear the evidence de novo and fix a value upon the property consistent with sections 171, 172 and 174 of the Constitution. The Commissioner of Revenue may appoint a conferee to conduct any hearings, receive evidence and hear argument, and embody same in a report to the Tax Commission. Any of the parties may appeal from the judgment of the Tax Commission to the circuit court in the county where the property is located and thence to the Court of Appeals, as provided by law.] No appeal under this section shall delay the collection or payment of any taxes based upon the assessment in controversy. The taxpayer shall pay all state, county and district taxes due on the valuation which he claims as true value as and when required by law, and when the valuation is finally determined upon appeal, the court or *the Kentucky Board of Tax Appeals* [Tax Commission] shall certify the valuation to the county court clerk and the taxpayer shall be billed for any additional tax and six percent interest from the date when the tax would have become due if no appeal had been taken. The provisions of KRS 134.390 shall apply to such tax bill.

(5) It shall be the duty of the county attorney to represent the interest of the state and county in all hearings before the board of supervisors and on all appeals prosecuted from its decision.

Section 35. Section 138.729 of the Kentucky Revised Statutes is amended to read as follows:

Any final ruling of the Department of Motor Transportation with regard to the administration of KRS 138.655 to 138.725 shall be appealed *to the Kentucky Board of Tax Appeals* [in the manner provided by KRS 131.110, 131.120 and 131.125].

Section 36. Section 138.990 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any person who violates any provision of KRS 138.140, 138.146 or 138.195, for which a specific penalty is not provided, shall be fined not less than twenty-five dollars nor more than five hundred dollars for the first offense; for each such subsequent offense he shall be fined not less than fifty dollars nor more than one thousand dollars and, if the offender is an individual, may be confined in the county jail for not more than six months. These fines shall be in addition to the civil penalties provided by KRS 138.165, 138.185 and 138.205.

(2) Any person who fails to supply the information required by subsection (8) of KRS 138.195 shall be fined not less than one hundred dollars nor more than two hundred dollars for the first offense; for each subsequent offense he shall be fined not less than two hundred and fifty dollars nor more than five hundred dollars. These fines shall be in addition to any civil penalty provided by KRS 138.165, 138.185 and 138.205.

(3) Any person violating subsection (10) of KRS 138.195 or any regulations adopted thereunder, shall be fined not more than one thousand dollars. This fine shall be in addition to any civil penalty provided by KRS 138.165, 138.185 and 138.205.

(4) Any person who makes a false entry upon any invoices or any record relating to the purchase, possession, transportation or sale of cigarettes, and presents any such false entry to the department or any of its agents with the intent to avoid any tax imposed by KRS 138.130 to 138.205, shall be guilty of a felony and shall be imprisoned in the penitentiary for not less than one nor more than two years.

(5) Any person who shall counterfeit any cigarette tax evidence shall be guilty of a felony and imprisoned for not less than two nor more than ten years in the state penitentiary.

(6) Any person who sells, offers to sell or uses counterfeit cigarette tax evidence, affixed or unaffixed, with the intention of evading any tax imposed by KRS 138.130 to 138.205 shall be guilty of a felony and imprisoned for not less than two or more than ten years in the state penitentiary.

(7) Any person who fails to remit gasoline tax money to the state as provided in KRS 138.280 is guilty of embezzlement of state funds, and shall be fined not more than one thousand dollars or imprisoned in the county jail for not more than six months, or both. Upon conviction of a second offense he shall be imprisoned for not less than one year nor more than five years in the state penitentiary.

(8) Any person who violates any of the provisions of KRS 138.300 shall be fined not less than twenty-five dollars nor more than one thousand dollars, or imprisoned in the county jail for not more than six months, or both. This penalty shall be in addition to the penalty provided in subsection (7) of this section.

(9) Any person who violates KRS 138.310 shall be fined not less than one hundred dollars nor more than one thousand dollars, or imprisoned in the county jail for not less than thirty days nor more than one year, or both. Each day or part of day of doing business as a dealer without an uncancelled license shall be a separate offense.

(10) Any person who violates any of the provisions of KRS 138.460 or 138.470 shall be fined not less than twenty-five dollars nor more

than one thousand dollars. If the offender is an individual, he may be imprisoned in the county jail for not more than six months, or both so fined and imprisoned.

(11) Any person who violates any of the provisions of KRS 138.480 or 138.490 shall be fined not more than one thousand dollars or imprisoned in the county jail for not more than thirty days, or both.

(12) If any offender under the provisions of subsections (1) to (9), (11) or (19) of this section is a corporation, the principal officer or the officer directly responsible for the violation, or both, may be imprisoned as provided in those subsections.

(13) Any person who violates any provision of subsection (1) of KRS 138.354, whether or not his permit has been revoked by the *Kentucky Board of Tax Appeals* [Kentucky Tax Commission], shall be guilty of a misdemeanor, and upon conviction thereof shall be fined not less than one hundred dollars nor more than five hundred dollars, or imprisoned not exceeding one year, or both, in the discretion of the court.

(14) Any person, other than the holder of a refund permit, who shall knowingly violate any provision of KRS 138.343 to 138.357, shall be guilty of a misdemeanor and upon conviction thereof shall be fined not less than one hundred dollars nor more than five hundred dollars, or imprisoned not exceeding one year, or both, in the discretion of the court.

(15) Any person who makes a false or fraudulent statement in an application made pursuant to KRS 138.342 for a refund of taxes provided by KRS 138.341 or who fraudulently obtains such a refund or who knowingly aids or assists in making such a false or fraudulent statement or claim for refund, shall be guilty of a misdemeanor, and upon conviction thereof shall be fined not less than one hundred dollars nor more than five hundred dollars, or imprisoned not exceeding one year, or both, in the discretion of the court.

(16) Any person violating any provision of KRS 138.630 shall be fined not more than one thousand dollars or imprisoned in the county jail for more than six months, or both. Upon conviction of a second offense, he shall be imprisoned for not less than one year nor more than five years in the state penitentiary.

(17) Any person violating any provision of KRS 138.655 to 138.725 is guilty of a misdemeanor and upon conviction is punishable by a fine of not less than nineteen dollars nor more than five hundred dollars or by imprisonment in the county jail for not less than thirty days nor more than six months or by both such fine and imprisonment.

(18) In addition to the penalties provided in KRS 138.990 (17), the motor vehicle or vehicles of any person violating any provision of

KRS 138.720 shall be subject to seizure by any officer duly authorized to enforce the provisions of KRS 138.655 to 138.725.

(19) Any person violating KRS 138.175 shall be confined in the penitentiary not less than two nor more than five years.

Section 37. Section 365.370 of the Kentucky Revised Statutes is amended to read as follows:

(1) The State Department of Revenue shall prescribe, adopt, and enforce rules and regulations for the enforcement of KRS 365.260 to 365.380 and it is empowered to and may from time to time undertake and make or cause to be made one or more cost surveys for the state or such trading area or areas as it shall define and when each such cost survey shall have been made by or approved by the said department it shall be permissible to use such cost survey as provided in KRS 365.320 (2) and 365.360 (2).

(2) The department may, upon notice and after hearing, revoke or suspend any license issued under provisions of KRS 137.040, 137.050, 137.070 and the rules and regulations of said department promulgated thereunder, for failure of any person to comply with any provisions of KRS 365.260 to 365.380 or any rule or regulation adopted thereunder.

(3) All of the powers vested in the commissioner and Department of Revenue by the provisions of the Cigarette Tax Law shall be available for the enforcement of KRS 365.260 to 365.380.

(4) Any person aggrieved by any decision, order or finding of said department, suspending or revoking any such license, many appeal therefrom to the *Kentucky Board of Tax Appeals as provided by law.* [Kentucky Tax Commission] by filing a petition of appeal with said commission in the manner and form and within the time and subject to such terms and conditions as said commission shall by rules prescribe.

(5) The judgment or order of said commission may be reviewed by a court of competent jurisdiction in the Commonwealth.

Section 38. *The right to appeal any order of the Kentucky Tax Commission entered on or before June 30, 1964, is preserved to any aggrieved party in the form and mode existing prior to such date.*

Section 39. Subsection (1) of KRS 131.010, subsection (2) of KRS 131.020; subsection (3) of KRS 131.150; subsection (2) of KRS 132.010; subsection (3) of KRS 132.310; subsection (2) of KRS 139.760; and Sections 131.040, 131.090, 131.100, 131.120, 131.125, 136.185, 138.352, and 138.729 of the Kentucky Revised Statutes are hereby repealed.

Section 40. This Act shall become effective July 1, 1964.

Said Committee Amendments to **HB 3** are as follows:

Amend printed copy of House Bill 3 on page 1, lines 12 and 13 by:

striking on line 12 "which members" and by striking all of line 13 and substituting therefor "with the consent of the Senate. No member shall engage in any occupation or business inconsistent with his duties as such a member."

and on page 8, line 3, by:

inserting after the word "court" the words "or to the circuit court of the county in which the party aggrieved resides or conducts his place of business"

HB 145, AN ACT relating to strip mining and reclamation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 350.010 of the Kentucky Revised Statutes is amended to read as follows:

(1) "Strip mining" means all or any part of the process followed in the production of commercial coal, or clay from a natural coal, or clay deposit by the open pit or open cut method or the auger method, but shall not include the casual removal of coal, or clay in building roads or other developments of the owner's property for purposes other than the production of coal, or clay by the open pit or open cut method or auger method;

(2) "Overburden" means all the earth and other materials which are removed to gain access to the commercial coal, or clay in the process of strip mining;

(3) "Area of land affected" means the area of land from which overburden is to be or has been deposited *and shall include all lands affected by roads constructed to gain access and to haul coal or clay;*

(4) "Operation" means all of the premise, facilities, *roads* and equipment used in the process of producing coal, or clay from a designated strip mine area;

(5) "Operator" means any person, partnership or corporation engaged in strip mining or prospecting to strip mine who disturbs more than one fourth acre or who removes or intends to remove more than one hundred tons of coal, or clay from the earth by strip mining within twelve successive calendar months;

(6) "Person" means persons, partnership or corporation;

(7) "Division" means the Division of Strip Mining and Reclamation;

(8) "Director" means the Director of the Division of Strip Mining and Reclamation of the Department of Conservation;

(9) "Commission" means the Strip Mining and Reclamation Commission;

(10) "Reclamation" means the reconditioning of the area of land affected by a strip mining operation under a plan approved by the division; [.]

(11) "Degree" when used in this act shall mean from the horizontal, and in each case shall be subject to a tolerance of five (5) degrees;

(12) "Bench" means the ledge, shelf or terrace formed in the contour method of strip mining.

Section 2. Section 350.020 of the Kentucky Revised Statutes is amended to read as follows:

The General Assembly finds that the unregulated strip mining of coal *and clay* causes soil erosion, stream pollution, the accumlation of stagnant water and the seepage of contaminated water, increases the likelihood of floods, destroys the value of land for agricultural purposes, counteracts efforts for the conservation of soil, water and other natural resources, destroys or impairs the property rights of citizens, creates fire hazards, and in general creates hazards dangerous to life and property, so as to constitute an imminent and inordinate peril to the welfare of the Commonwealth. *The General Assembly further finds that lands that have been subjected to strip mining and have not been reclaimed and rehabilitated in accordance with modern standards constitute the aforementioned perils to the welfare of the Commonwealth.* The General Assembly further finds that there are wide variations in the circumstances and conditions surrounding and arising out of the strip mining of coal *and clay* due primarily to difference in topographical and geological conditions, and by reason thereof it is necessary, in order to provide the most effective, beneficial and equitable solution to the problem, that a broad discretion be vested in the authority designated to administer and enforce the regulatory provisions enacted by the General Assembly. The General Assembly further finds that other commercial activities involving the removal of minerals and other natural substances other than coal *and clay* from the earth by strip mining occasionally cause conditions or create results of the character enumerated above, but that no imminent or inordinate peril presently exists by reason thereof. Therefore, it is the purpose of this chapter to provide such regulation and control of the strip mining of coal *and clay* as to minimize its injurious effects as much as may be practicable.

Section 3. Section 350.060 of the Kentucky Revised Statutes is amended to read as follows:

(1) No operator shall engage in strip mining without having first obtained from the division a permit designating the area of land affected by the operation. The permit shall authorize the operator to engage in strip mining upon the area of land described in his application for a period of one year from the date of its issuance.

(2) An operator desiring a permit shall file an application which shall state:

(a) The location and area of land to be affected by the operation, with a description of access to the area from the nearest public highways;

(b) The owner or owners of the surface of the area of land to be affected by the permit;

(c) The owners of the coal, or clay to be mined;

(d) The source of the applicant's legal right to enter and mine the coal or clay on the land affected by the permit;

(e) The permanent and temporary post office addresses of the applicant;

(f) Whether the applicant or any person, partnership or corporation associated with the applicant holds or has held any other permits under this chapter, and an identification of such permits; [.]

(g) Whether or not the applicant is in compliance with Section 7, subsection (3) of this act and whether or not every officer, partner, director or any individual owning of record or beneficially (alone or with associates) if known, ten percent (10%) or more of any class of stock of the applicant, is subject to any of the provisions of Section 7, subsection (3) of this act and he shall so certify.

(3) The application for a permit shall be accompanied by two copies of *a United States geological survey topographic map on which the operator has indicated the location of the operation.* [an accurate map of the area involved. The map shall:]

(4) *The application for a permit shall be accompanied by two copies of an accurate map showing the plan of reclamation for the area to be disturbed. Aerial photographs of the area shall be acceptable if the plan for reclamation can be shown to the satisfaction of the division. The map shall:*

(a) Be made by an engineer;

(b) Identify the area to correspond with the application;

(c) Show adjacent deep mining and adjacent surface owners;

(d) Be of a scale of not less than one hundred feet to the inch and not to exceed six hundred and sixty feet to the inch;

(e) Show the names of all creeks, roads, buildings, oil and gas wells and lines on the area to be strip mined and within two hundred feet of such area;

(f) Show the total area involved in the operation, the area of the coal or clay to be strip mined, and the area of land affected;

(5) *The application for a permit shall be accompanied by a plan of reclamation that meets the requirements of this chapter and the rules and regulations of the commission.*

(6) [(4)] A basic fee of fifty dollars plus *twenty-five* [fifteen] dollars for each acre or fraction thereof of the area of land to be affected by the operation *excepting roads as defined in section 1(3)* shall be paid before the permit required herein shall be issued. The operator shall file with the division a bond payable to the Commonwealth of Kentucky with surety satisfactory to the division in the penal sum to be determined by the commission on the recommendation of the director of not less than one hundred dollars nor more than *five* [two] hundred [fifty] dollars for each acre or fraction thereof of the area of land affected, with a minimum bond of *two* [one] thousand dollars, conditioned upon the faithful performance of the requirements set forth in this chapter and of the rules and regulations of the commission. In determining the amount of the bond within the above limits, the commission shall take into consideration the character and nature of the overburden, the future suitable use of the land involved and the cost of reclamation to be required. In a particular instance where the circumstances are such as to warrant an exception, the commission, in its discretion, may reduce the amount of the bond for a particular operation to less than the required minimum.

Section 4. Section 350.090 of the Kentucky Revised Statutes is amended to read as follows:

(1) Under regulations adopted by the commission, an operator shall prepare and carry out a reclamation plan for the area of land affected by his operation. *In developing a plan of reclamation, all measures shall be taken to eliminate damages to the public and adjacent property owners from soil erosion, water pollution and hazards dangerous to life and property. The plan shall be submitted to the division and the division shall notify the applicant by registered mail within twenty (20) working days after receipt of the plan if it is or is not acceptable. In considering the plan, the division shall consult with the Soil Conservation district created under KRS 262.010 to KRS 262.660 in which the operation takes place. If the plan is not acceptable, the division shall set forth the reasons for which the plan is not acceptable. If the applicant cannot agree to modifications set out by the division, he may, by written notice, request a hearing by the commission. The Commission shall notify the applicant by registered mail within twenty (20) days of its decision. Any person aggrieved by a final order of the commission may appeal through the courts as set forth in KRS 350.032.* The plan *shall* [be approved by the division and may] require the operator to:

(a) Cover the face of the coal [, or clay and, where practicable, all toxic materials, roof coal, pyritic coal or shale determined by the division to be acid-producing or creating a fire hazard] *with compacted materials to a distance at least two (2) feet above the seam being strip mined at an angle not to exceed forty-five degrees (45°) or by a permanent water impoundment;*

(b) *Bury all toxic materials, roof coal, pyritic coal or shale determined by the division to be acid-producing or creating a fire hazard;*

(c) [(b)] Seal off any break through creating a hazard;

(d) [(c)] Impound, drain or treat all runoff water so as to reduce soil erosion, damage to agricultural lands and pollution of streams and other waters;

(e) Grade the overburden [, where practicable] *to a rolling topography to be defined by regulation,* and provide suitable vegetative cover.

(f) [(d)] Remove or bury all metal, lumber and other refuse resulting from the operation;

(g) [(f)] Cover all holes at the face that have been made by the auger mining operation *with compacted material to a distance at least two (2) feet above the seam being augered at an angle not to exceed forty-five degrees (45°) or by a permanent water impoundment.*

(2) No operator shall throw, dump, pile or permit the dumping, piling or throwing or otherwise placing any overburden, stones, rocks, coal, particles of coal, earth, soil, dirt, debris, trees, wood, logs, or any other materials or substances or any kind or nature upon or into any public roads, ways, or any other public property, public streams, ponds, lakes, or any other public surface or subterranean waters of the Commonwealth *or any adjacent property owners whose surface area is not included in the application for a permit or place such materials herein described in such a way that normal erosion or slides brought about by natural physical causes will permit such materials to go upon or into any public roads, ways, or any other public property, public streams, ponds, lakes, or any other public surface or subterranean waters of the Commonwealth or any adjacent property owners whose surface area is not included in the affected area as described in the application for a permit.*

Section 5. Section 350.100 of the Kentucky Revised Statutes is amended to read as follows:

(1) It shall be the duty of an operator to commence the reclamation of the area of land affected by his operation as soon as possible after the beginning of strip mining of that area in accordance with a plan of reclamation previously approved by the division,

and to complete such reclamation [as soon as may be feasible] *within twelve (12) months after the permit has expired except that such grading and water management practices that are approved in the plan of reclamation shall be kept current with the operation and no permit or supplement to a permit shall be issued, if in the discretion of the division, these practices are not current.* [Before an operator commences to reclaim an area of land affected, he shall file with the division a plan of reclamation. The division may require modification of the plan to meet the requirements of this chapter or the regulation of the commission. The division shall allow the operator a reasonable period of time to complete the reclamation of the area of land affected by his operation].

(2) If an investigation indicates that planting so as to provide vegetative cover of an area of land affected by strip mining may not be successful, the division may authorize the operator to defer such planting until the soil has become suitable for such purposes *and a yearly report shall be filed with the division each twelve (12) months indicating the soil conditions until a successful planting or seeding has been completed.* [, or] It may authorize the operator with the approval of the commission, to do planting to provide vegetative cover for a different area of land in lieu of that covered by his permit. Such different area of land must be land affected by strip mining in the past which has soil that has become suitable for planting, of not less acreage than the land covered by the permit. An application by the operator for authority to plant a different area of land shall identify the different area and shall be accompanied by a map showing its location, area and boundaries. *An aerial photo may be acceptable if it shows the necessary details to the satisfaction of the division.* The application shall be accompanied by the written consent of the owner of the land covered by the permit to release the operator from his obligation to provide a vegetative cover for the land covered by the permit. If the division grants the application for the planting of a different area of land and the planting is carried out in accordance with its orders, the operator shall be relieved of his obligation to provide a vegetative cover for the area of land affected by his operation for which a different area of land has been substituted.

Section 6. Section 350.120 of the Kentucky Revised Statutes is amended to read as follows:

Within sixty days after the date of expiration of a permit, the operator shall file with the division a report stating the exact number of acres of land affected by the operation, the extent of reclamation already accomplished by him, and such other information as may be required by the rules and regulations of the division and the commission. The report shall be accompanied by a copy of the map filed with the original application which will show any revisions made necessary by results of the operation. If the report shows that the operator has complied with the requirements of this chapter and with the rules and regulations of the commission and the division and has carried out a plan of reclamation approved by the division, the division shall approve the report and the bond filed by him as surety shall be released by the division. If the division does not approve the report, the bond shall not be released until the operator complies with the orders of the commission and the division to meet requirements of this chapter and of its regulations. *The operator may, in lieu of providing a suitable vegetative cover as provided in KRS 350.090 and if all other parts of the plan of reclamation previously approved are carried out to the satisfaction of the division, pay to the division a sum agreed upon by the division and the division shall approve the report and the bond filed by him as surety shall be released by the division.*

Section 7. Section 350.130 of the Kentucky Revised Statutes is amended to read as follows:

(1) If the requirements of this chapter or the orders of the division and the commission have not been complied with within the time limits set by the division or the commission or by this chapter, the division shall cause a notice of noncompliance to be served upon the operator by registered mail addressed to the permanent address shown on the application for a permit. The notice shall specify in what respects the operator has failed to comply with this chapter or the regulations or orders of the division and the commission. If the operator has not reached an agreement with the division or has not complied with the requirements set forth by it within forty days after mailing of the notice, the permit may be revoked by the division and the performance bond shall then be forfeited to the division.

(2) When a bond is forfeited pursuant to the provisions of this chapter, the director shall give notice to the Attorney General, who shall collect the forfeiture.

(3) *An operator whose mining permit has been revoked shall not be eligible to receive another permit or to have suspended permits reinstated until he shall have complied with all the requirements of this chapter in respect to former permits issued him, provided, further, that no operator shall be eligible to receive another permit who has forfeited any bond unless the lands for which the bond was forfeited has been reclaimed without cost to the state or the operator has paid into the Strip Mining and Reclamation Fund such sum as the commission finds is adequate to reclaim such lands.*

Section 8. Section 350.150 of the Kentucky Revised Statutes is amended to read as follows:

(1) In the reclamation of land affected by strip mining for which it has funds available, the division may avail itself of any services which may be provided by other state agencies or by agencies of the Federal government, and may compensate them for such services. The division may cause the reclamation work to be done by its own employes or by employes of other governmental agencies, *Soil Conservation Districts,* or through contracts with qualified persons. Such contracts shall be awarded to the lowest or best bidder upon competitive bids after reasonable advertisement. The division and any other agency and any contractor under a contract with the division shall have the right of access to the land affected to carry out such reclamation.

(2) *Any funds available to the commission and any public works program (both funds and services) may be used and expended to reclaim and rehabilitate any lands that have been subjected to strip mining that have not been reclaimed and rehabilitated in accordance with modern standards and which are not covered by bond to guarantee such reclamation.*

(3) [(2)] A person or organization, having qualifications acceptable to the commission, may post bond and assume the liability for carrying out the reclamation plan approved by the division in areas where the mining operation and any necessary grading have been completed. The division shall then release the bond posted by the operator for such area.

Section 9. If any portion of this Act is found to be unconstitutional, such finding shall not invalidate the remainder of this Act, which shall remain in full force and effect.

SB 250, AN ACT relating to Workmen's Compensation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 342.001 of the Kentucky Revised Statutes is amended to read as follows:

As used in this Chapter unless the context requires otherwise;

(1) "Board" means the Workmen's Compensation Board;

(2) "Director" means the director of the Workmen's Compensation Board.

Section 2. Section 342.005 of the Kentucky Revised Statutes is amended to read as follows:

(1) This chapter shall apply to all employers having three or more employes regularly engaged in the same occupation or business, and to their employes, except that it shall not apply to domestic em-

ployment, agriculture, steam railways, or such common carriers other than steam railways for which a rule of liability is provided by the laws of the United States; provided, however, it shall apply to the operators of threshing machines used in threshing or hulling grain or seeds. It shall affect the liability of the employers subject thereto to their employes for a traumatic personal injury sustained by the employe by accident, and for disability resulting from occupational diseases as defined in this chapter, arising out of and in the course of his employment, or for death resulting from such accidental injury or occupational disease; provided, however, that "traumatic personal injury by accident" as herein defined shall not include diseases except where the disease is the natural and direct result of a traumatic injury by accident nor shall it include the results of a pre-existing disease, whether previously disabling or not, but shall include injury or death due to inhalation in mines of noxious gases or smoke, commonly known as "bad air", and also shall include injuries or death due to the inhalation of any kind of gas, and shall also include occupational disease as defined in this chapter.

(2) The board shall apportion the aggregate extent and duration of disability among the contributing causes including, but not limited to, the following:

(a) "Traumatic injury by accident";

(b) Pre-existing disease previously disabling;

(c) Pre-existing disease not previously disabling but aroused into disabling reality by the injury or occupational disease.

(3) The board shall, in every case, determine whether the provisions of KRS 342.120 are applicable, and if so the board shall proceed in accordance with the law and regulations established for processing claims involving the *Special* [Subsequent Claim] Fund.

(4) Any employers and employes who are, by the provisions of this section, excepted from the provisions of this chapter, including employers having less than three employes, may subject themselves thereto by joint voluntary application to the board, in writing, for such period as may be stated in the application, which shall be irrevocable during such period and effective thereafter until a written revocation be filed with the board or the employment be terminated.

(5) *All employes of departments, administrative bodies, and agencies of the state shall be covered by the provisions of this chapter. The Commissioner of Finance shall exercise the elections necessary to extend coverage to those state employes for which coverage is not otherwise required by this chapter.*

Section 3. Section 342.010 of the Kentucky Revised Statutes is amended to read as follows:

"Employer" as used in this chapter includes municipal corporations and any subdivision or corporation thereof. Any election with reference to this chapter shall be exercised by the law-making or other governing body thereof. ["Employer" as used in this chapter also includes all departments, boards, commissions, and all superintendents or receivers of penal or eleemosynary institutions managed or directed by the Department of Welfare or any other department or agency of the Commonwealth of Kentucky. Any election with reference to this chapter shall be exercised by the Commissioner of Finance.] Nothing contained in this chapter shall amend, repeal or interfere with any statute or ordinance relating to associations or funds for the relief, pensioning, retirement or other benefit of any employe of such municipal employer, [or any of the employes of any state department,] or the widows, children or dependents of such employes.

Section 4. Section 342.020 of the Kentucky Revised Statutes is amended to read as follows:

(1) In addition to all other compensation provided in this chapter, the employer shall furnish for the cure and relief from the effects of an injury or occupational disease, such medical, surgical and hospital treatment, including nursing, medical and surgical supplies and appliances, as may reasonably be required at the time of the injury and thereafter during disability, or as may be required for the cure and treatment of an occupational disease, but not exceeding a total expense to the employer of [more than] *thirty-five* [twenty-five] hundred dollars. If the employer fails to furnish such treatment reasonably, he shall be liable for the reasonable expense, within the limits of this section, incurred by or on behalf of the employe in providing such treatments. In an emergency, the employe may call in any available physician or surgeon to administer any first aid reasonably necessary at the expense of the employer within the limits of this section. The board, in its discretion, may apportion payments to be made under this section between hospitals and physicians in cases where their aggregate fees and charges would [not] exceed the maximum for which the employer is liable.

(2) However, further medical, surgical and hospital treatment, not to exceed an additional *fifteen hundred* [one thousand] dollars, may be ordered by the board upon application and sufficient showing of justifiable need therefor.

(3) Where a compensable injury or occupational disease results in the amputation of an arm, hand, leg or foot, or the loss of hearing, or the enucleation of an eye or the loss of teeth, the employer shall initially furnish in addition to other medical, surgical and hospital treatment enumerated in subsections (1) and (2) of this section, a modern artificial member and where required proper braces. [but

the employer's liability for such artificial member or braces shall not including his liability for medical, surgical and hospital treatment, exceed twenty-five hundred dollars.]

Section 5. Section 342.070 of the Kentucky Revised Statutes is amended to read as follows:

If death should result within two years from an accident for which compensation is payable under this chapter, or from an occupational disease, the employer or his insurer shall pay to the person entitled to compensation, or, if none, then to the personal representative of the deceased employe, reasonable burial expenses of a person of the standard of living of the deceased, not to exceed the sum of five hundred dollars, and shall also pay to or for the following persons compensation as follows:

(1) If there are one or more wholly dependent persons, *sixty-six and two-thirds* [sixty-five] percent of the average weekly earnings of the deceased employe, [but not to exceed thirty-four dollars nor less than sixteen dollars per week shall be payable,] all such payments to be made for the period between the date of death and four hundred weeks *thereafter, subject to the limitations contained in subsections (4) and (5) of this section,* [after the date of accident to the employe or after the date his disability from an occupational disease began,] or until the intervening termination of dependency. [but in no case to exceed the maximum sum of thirteen thousand six hundred dollars.]

(2) (a) If there are partly dependent persons, the payments shall be such part of what would be payable for total dependency as the partial dependency existing at the time of the accident or after the date his disability from an occupational disease began to the employe is proportionate to total dependency, and all such payments to be made for the period between the date of death and four hundred weeks *thereafter, subject to the limitations contained in subsections (4) and (5) of this section,* [after the date of the accident to the deceased employe, or after the date his disability from an occupational disease began,] or until the intervening termination of dependency. [but in no case to exceed in the aggregate of compensation on account of such death the maximum sum of thirteen thousand six hundred dollars.]

(b) Partial dependency shall be determined by the proportion of the earnings of the employe which have been contributed to such partial dependent during one year next preceding the date of injury or after the date his disability from an occupational disease began; if the relation of partial dependency did not exist for one year next preceding the date of injury, the board shall consider all the facts and circumstances and fix such proportion as is fair and reasonable thereunder.

(3) All relations of dependency referred to in this section shall mean dependency existing at the time of the accident to the employe or at the time his disability from an occupational disease began.

(4) If death occurs as a result of the injury or an occupational disease after a period of total or partial disability, the period of disability shall be deducted from the total period of compensation and the benefits paid thereunder from the maximum allowed for death by this section.

(5) The minimum weekly benefits payable for death under this section shall be twenty-five percent of eighty-five percent of the average weekly wage of the state as determined under subsection (2) of KRS 342.140 and the maximum weekly benefits payable for death under this section shall be fifty percent of eighty-five percent of the average weekly wage of the state as determined under subsection (2) of KRS 342.140.

Section 6. Section 342.080 of the Kentucky Revised Statutes is amended to read as follows:

Compensation to any dependent shall cease at the death or legal or common-law marriage of such dependent or, in the case of a child or children, upon attaining the age of twenty years unless incapacitated from wage earning [.], *except that, if the child or children is enrolled as a full-time student in any accredited educational institution, compensation shall cease upon the termination of such enrollment or upon attaining the age of twenty-five years, whichever shall first occur.* Upon the cessation of compensation to or on account of any person the compensation of the remaining persons entitled to compensation shall, for the unexpired period during which their compensation is payable, be that which such persons would have received during such unexpired period if they had been the only persons entitled to compensation at the time of the accident.

Section 7. Section 342.095 of the Kentucky Revised Statutes is amended to read as follows:

(1) When the injury or occupational disease causes total disability for work, the employer, during such disability, except for the first seven days thereof, shall pay the employe a weekly compensation equal to *sixty-six and two-thirds* [sixty-five] percent of his average weekly earnings, [not to exceed thirty-eight dollars nor less than sixteen dollars per week,] such payments to be made during the period of total disability but not longer than four hundred twenty-five weeks after the date of the injury, or after the date his disability from an occupational disease began. [, nor in any case to exceed a maximum sum of sixteen thousand one hundred and fifty dollars.] If the period of total disability begins after a period of partial disability, the period of partial disability shall be deducted from the total period of four

hundred twenty-five weeks during which compensation for total disability may be payable. [, and the payments made on account of such partial disability shall be deducted from the maximum of sixteen thousand one hundred and fifty dollars.]

(2) The maximum basic weekly income benefit for total disability shall not exceed fifty-five percent of eighty-five percent of the average weekly wage of the state, computed as provided in KRS 342.140(2) and rounded to the nearest dollar. The minimum basic weekly income benefit for total disability shall not be less than twenty-five percent of eighty-five percent of the average weekly wage of the state, computed as provided in KRS 342.140(2) and rounded to the nearest dollar.

(3) [(4)] Compensation for an injury or disability to a member shall not exceed the amount allowable for the loss of such member unless the effects of the injury or disability extends beyond the member to the body as a whole so that it destroys a workman's general ability to labor or precludes him from obtaining the kind of work he is customarily able to do.

(4) [(2)] In case of the following injuries or disabilities from occupational disease the disability shall be considered total and permanent:

(a) The total permanent loss of sight in both eyes;

(b) The loss of both feet at or above the ankle;

(c) The loss of both hands at or above the wrist;

(d) A similar loss of one hand and one foot;

(e) A similar loss of one hand and one eye;

(f) A similar loss of one foot and one eye;

(g) A disability to the spine, resulting in permanent and complete paralysis of both arms or both legs, or one arm and one leg;

(h) A disability to the skull resulting in incurable insanity or imbecility.

(5) [(3)] The enumeration in subsection *(4)* [(2)] is not exclusive, but in all other cases the burden of proof shall be on the claimant to prove that his injuries or disability resulting from an occupational disease have resulted in permanent total disability.

Section 8. Section 342.100 of the Kentucky Revised Statutes is revised to read as follows:

(1) In case of an injury or disability from an occupational disease resulting in temporary partial disability, the employe shall receive during such disability, except the first seven days thereof, a weekly compensation equal to *sixty-six and two-thirds* [sixty-five] per cent of the difference between his average weekly earnings before the

injury or disability from an occupational disease and the average weekly earnings that he earns, or is able to earn, in some suitable employment during such disability, not to exceed four hundred weeks from the date of injury, or from the date his disability from an occupational disease began [; nor exceeding the sum of thirty-three dollars per week nor the maximum sum of thirteen thousand and two hundred dollars].

(2) The maximum basic weekly income benefits for temporary partial disability shall not exceed 5% of 85% of the average weekly wage of the state, computed as provided by KRS 342.140(2) and rounded to the nearest dollar.

(3) If partial disability follows a period of total disability, the period of total disability shall be deducted from the maximum period allowed for partial disability.

Section 9. Section 342.105 of the Kentucky Revised Statutes is amended to read as follows:

For injuries or disabilities from an occupational disease enumerated in the following schedule the employe shall receive, in addition to temporary total disability compensation for the period of actual total disability, not exceeding twenty weeks, a weekly compensation equal to *sixty-six and two-thirds* [sixty-five] per cent of his average weekly earnings *subject to the limitations in subsection (5) of KRS 342.070* [but not less than sixteen dollars per week nor exceeding thirty-two dollars per week] for the periods stated *herein* [thereon]:

(1) For the loss of a thumb, [sixty-five percent of the average weekly wages during] sixty weeks.

(2) For the loss of a first finger, commonly called the index finger, [sixty-five per cent of the average weekly wages during] forty-five weeks.

(3) For the loss of a second finger, [sixty-five per cent of the average weekly wages during] thirty weeks.

(4) For the loss of a third finger, [sixty-five per cent of the average weekly wages during] twenty weeks.

(5) For the loss of a fourth finger, commonly known as the little finger, [sixty-five per cent of the average weekly wages during] fifteen weeks.

(6) The loss of the second, or distal phalange, of the thumb shall be considered to be equal to the loss of one-half of the thumb, the loss of more than one-half of the thumb shall be considered equal to the loss of the whole thumb.

(7) The loss of the third, or distal phalange of any finger shall be considered to be equal to the loss of one-third of the finger.

(8) The loss of the middle, or second phalange, of any finger shall be considered equal to the loss of two-thirds of the finger.

(9) The loss of more than the middle and distal phalanges of any finger shall be considered equal to the loss of the whole finger, but in no case shall the amount received for more than one finger exceed the amount provided in this schedule for the loss of a hand.

(10) For the loss of a metacarpal bone (bone of the palm) for the corresponding thumb, finger or fingers above, add ten weeks to the number of weeks as above.

(11) For ankylosis (total stiffness of) or contractures (due to sears or injuries) which makes the fingers useless, the same number of weeks apply to such finger or fingers (including thumb) as given above.

(12) For the loss of a hand, [sixty-five per cent of the average weekly wages during] one hundred fifty weeks.

(13) For the loss of an arm, [sixty-five per cent of the average weekly wages during] two hundred weeks.

(14) For the loss of one of the toes, other than the great toe, [sixty-five percent of the average weekly wages during] ten weeks.

(15) For the loss of the great toe [sixty-five per cent of the average weekly wages during] thirty weeks.

(16) The loss of more than two-thirds of any toe shall be considered to be equal to the loss of the whole toe.

(17) The loss of less than two-thirds of any toe shall be considered to be equal to the loss of one-half toe.

(18) For the loss of a foot, [sixty-five per cent of the average weekly wages during] one hundred twenty-five weeks.

(19) For the loss of a leg, [sixty-five per cent of the average weekly wages during] two hundred weeks.

(20) For the total and permanent loss of the sight of an eye, [Sixty-five per cent of the average weekly wages during] one hundred weeks, plus an additional twenty weeks in cases where the eyeball is enucleated.

(21) For the total and permanent loss of hearing in one ear, [sixty-five per cent of the average weekly wages during] seventy-five weeks.

Section 10. Section 342.110 of the Kentucky Revised Statutes is amended to read as follows:

(1) In all other cases of permanent partial disability, including any disfigurement which will impair the future usefulness or occupational opportunities of the injured employe, or employe disabled by an occupational disease, compensation shall be determined according to the percentage of disability, taking into account, among other things, any previous disability, the nature of the physical injury or disfigurement, the occupation of the injured employe and age at the time of injury or at the time the disability from an occupational disease began.

(2) Compensation for an injury or disability to a member shall not exceed the amount allowable for the loss of such member unless the effects of the injury or disability extends beyond the member to the body as a whole so that it adversely affects a workman's general ability to labor, or limits his occupational opportunities to obtain the kind of work he is customarily able to do.

(3) The compensation paid therefor shall be *sixty-six and two-thirds* [sixty-five] per cent of the average weekly earnings of the employe, *subject to the limitations contained in KRS 342.070 (5),* [but not less than sixteen dollars nor more than thirty-three dollars] multiplied by the percentage of disability caused by the injury or occupational disease, for such period as the board determines, not exceeding four hundred weeks [nor a maximum sum of thirteen thousand two hundred dollars]. Compensation payable under this section shall not be affected by the earnings of the employe after the accident, or after his disability from an occupational disease, whether they be the same, or greater, or less than prior to the accident or disability from an occupational disease. Whenever the weekly payments under this section would be less than *the minimum weekly benefit set out in KRS 342.070 (5),* [sixteen dollars per week] the period may be shortened and the payments correspondingly increased to that amount. Where compensation, except as provided in KRS 342.020 and 342.030, is paid under any other provision of this chapter, the period during which such other compensation is paid shall be deducted from the maximum period which may be paid under this section.

Section 11. Section 342.120 of the Kentucky Revised Statutes is amended to read as follows:

(1) A claimant may in the original application for benefits, or either party may by motion while the case is pending, accompanied by proper allegations, and the board shall upon its own motion at any time before the rendition of the final award, cause the *Special* [Subsequent Claim] Fund to be made a party to the proceedings if either or both of the following appears:

(a) The employe is disabled, whether from a compensable injury, occupational disease, pre-existing disease, or otherwise, and has received a subsequent compensable injury by accident, or has developed an occupational disease;

(b) The employe is found to have a dormant non-disabling disease condition which was aroused or brought into disabling reality by reason of a subsequent compensable injury by accident or an occupational disease.

(2) When the *Special* [Subsequent Claim] Fund has been made a party the board shall direct the procedures provided in KRS 342.121.

(3) If it is found that the employe is a person mentioned in subsection (1) (a) or (b) and a subsequent compensable injury or occupational disease has resulted in additional permanent disability so that the degree of disability caused by the combined disabilities is greater than that which would have resulted from the subsequent injury or occupational disease alone, and the employe is entitled to receive compensation on the basis of the combined disabilities, the employer shall be liable only for the degree of disability which would have resulted from the latter injury or occupational disease had there been no pre-existing disability or dormant, but aroused diseased condition.

(4) The remaining compensation for which such resulting condition would entitle the employe, including any compensation for disability resulting from a dormant disease aroused into disabling reality by the injury or occupational disease, but excluding all compensation which the provisions of this chapter would have afforded on account of prior disabling disease or injury had it been compensated thereunder, shall be paid out of the *Special* [Subsequent Claim] Fund provided for in subsection (1) of KRS 342.122. *Such remaining compensation shall be paid directly to the employe by the carrier or self-insured employer who is liable for compensation under subsection (3) of this section, and the carrier or self-insured employer shall be reimbursed for such payments from the Special Fund on a quarterly basis and under such regulations as the board may provide for such purpose.*

[(5) Upon motion, which notice to the Commissioner of Labor, and it appearing to the board that a claimant who has been awarded compensation under any one of the several provisions of this chapter becomes re-employed or continues in his employment in which he was injured, during the period of such employment or re-employment the payment accruing shall be paid out of the Subsequent Claim Fund; said unpaid portion of the award during such period shall be awarded the Subsequent Claim Fund and paid by the Commission of Labor. Whenever the weekly payments under this section would be less than sixteen dollars per week the period shall be shortened and the payments correspondingly increased to that amount. The employment or re-employment contemplated herein shall be at wages equal to or greater than the employe was receiving at the time of the traumatic injury by accident or at the time of the last injurous exposure to the occupational disease. Upon proper motion or by agreement of the parties the board may order a lump sum payment pursuant to KRS 342.150. The board shall, when this subsection is operative, liberally construe its provisions in favor of the employe with respect to the granting of a lump sum payment, and shall allow such lump sum payment unless it clearly appears that there will be an undue risk of overpayment. This subsection shall affect all unpaid workmen's compensation benefits and shall be applicable to all cases presently pending before the board.]

Section 12. Section 342.121 of the Kentucky Revised Statutes is amended to read as follows:

(1) If on a claim for compensation for disability resulting from a subsequent injury by accident or occupational disease any medical question shall be in controversy, or a determination thereof necessary to the proper apportionment of liability therefor, the board shall refer the case to a physician appointed by it for the purpose of investigating and reporting to the board on the medical questions involved. The physician shall make his report to the Workmen's Compensation Board in writing with respect to all medical questions at issue or necessary to the apportionment of disability between the subsequent injury and in the prior existing disability at the time of employment. The report shall show the date of prior disablement or latent, non-disabling disease, which, if in dispute, shall be deemed a medical question.

(2) The physician appointed as provided in subsection (1) of this section shall be allowed necessary traveling expenses and reasonable fees, to be fixed by the board to each physician for making such examination and report, plus a reasonable allowance for expenses incurred in making such examination. The board may also allow traveling expenses to the employe. Such fees and expenses so approved by the board shall be paid out of the *Special* [Subsequent Claim] Fund. [in cases for subsequent injuries or occupational diseases.]

(3) The physician shall, as soon as practicable after he has completed his consideration of the case, but not later than fifteen days after the examination of the employe, report in writing his findings on every medical question in controversy. The physician shall also include in his report a statement indicating the physician or physicians, if any, who appeared before *him* [them], and what, if any medical reports and X-rays were considered by *him* [them].

(4) The decision or award in the case shall conform to the findings and conclusions in such report insofar as restricted to medi-

cal questions; provided, however, that any such findings and conclusions may be set aside, reversed or modified, by the board's award or decision, in case an application for review is made to the board within ten days after the report is filed with the board and the interested parties notified, subject, however, to the following special provisions; no such findings of the physcian shall be subject to review unless specific objections thereto shall be filed with the board by a party in interest within the time limited in which to apply for review of such report.

(5) The provisions of this section shall apply only to persons mentioned in KRS 342.120.

Section 13. Section 342.122 of the Kentucky Revised Statutes is amended to read as follows:

(1) "Adjusted cost" as used in this section and in KRS 342.475 means all compensation, hospital and medical benefits paid thereunder, plus an additional factor of twelve per cent of such total payments, to cover the administrative cost of the employer. However in no event shall "adjusted cost" be less than fifty per cent of the basic insurance premium computed by applying current manual rates for workmen's compensation insurance to the payroll of every employer carrying his own risk and for this purpose each such employer shall annually furnish payroll data to the Workmen's Compensation Board. "Adjusted cost" shall not include amounts paid for injuries occurring prior to March 22, 1962.

(2) In addition to the taxes and assessments imposed by KRS 342.450 and 342.475, a *Special* [Subsequent Claim] Fund tax at the rate of three-fourths of one per cent of the amount of premiums received shall be paid by every insurance carrier as defined in KRS 342.445, subject to the credits therein set out, and the board shall assess against the "adjusted cost" of every employer carrying his own risk a *Special* [Subsequent Claim] Fund Tax computed by taking three-fourths of one per cent of the "Adjusted Cost" determined as provided in KRS 342.475. The provisions of KRS 342.450, 342.455, 342.460, 342.465 and 342.470 shall, so far as applicable, also apply to the levy and collection of such additional tax of three-fourths of one per cent of such premiums of insurance carriers.

(3) All taxes and assessments imposed by subsection (2) of this section shall be paid into the State Treasury and shall be credited to the *Special* [Subsequent Claim] Fund for the board, which fund shall be used only for the payment of awards of compensation made by the board and chargeable against said fund, expenses of legal representation thereof, fees and expenses of the physicians in connection therewith, and shall be withdrawn for that purpose under the supervision of the Commissioner of Labor.

(4) Any sum remaining in the *Special* [Subsequent Claim] Fund to the credit of the Workmen's Compensation Board at the end of any fiscal year shall be set up by the Department of Finance to the credit of the board in such fund for the next ensuing fiscal year.

(5) If the amount to the credit of the *Special* [Subsequent Claim] Fund as of June 30 of any year exceeds $200,000, the tax of three-fourths of one per cent upon insurance premiums provided for under subsection (2) of this section and the three-fourths of one per cent assessment upon employers carrying their own risk provided for under subsection (2) of this section shall not be assessed or collected during the ensuing year.

(6) If the Commissioner of Labor finds that the *Special* [Subsequent Claim] Fund tax levied pursuant to this section is insufficient to pay such claims awarded under the *Special* [Subsequent Claim] Fund provisions, then he may levy [an] additional *assessments* [assessment] against all insurance companies writing Workmen's Compensation insurance in Kentucky, including every employer carrying his own risk, for an amount not to exceed $100,000. The amount of each insurance company's assessment shall be in the proportion that each company's annual Workmen's Compensation premium writings in Kentucky bears to the total of all annual Workmen's Compensation premiums written in Kentucky. Such assessment will be based upon information contained in the insurance company's last filed annual statement with the Department of Insurance. Such assessments against every employer carrying his own risk will be based upon that proportion which the "adjusted cost" of such own risk carrier bears to the total "adjusted cost" of all such own risk carriers. "Adjusted cost" reports filed with the board in accordance with KRS 342.475 will be the basis of such determination. Such additional assessment against insurance companies and employers carrying their own risk shall be apportioned between the two classes as the total of premiums and the total of "adjusted cost" each bears to the combined total.

(7) The fund heretofore designated as the Subsequent *Claim* [Injury] Fund is abolished and there is substituted therefor the *Special* [Subsequent Claim] Fund as herein set out and all monies and properties owned by the Subsequent *Claim* [Injury] Fund are transferred to the *Special* [Subsequent Claim] Fund.

Section 14. Section 342.140 of the Kentucky Revised Statutes is amended to read:

(1) Except as otherwise provided in this act, the average weekly wage of the injured employe at the time of the injury or last injurious exposure shall be taken as the basis upon which to compute compensation and shall be determined according to this section.

(a) If at the time of the injury which resulted in death or dis-

ability or the last date of injurious exposure preceding death or disability from an occupational disease:

1. The wages were fixed by the week, the amount so fixed shall be the average weekly wage;

2. The wages were fixed by the month, the average weekly wage shall be the monthly wage so fixed multiplied by twelve and divided by fifty-two;

3. The wages were fixed by the year, the average weekly wage shall be the yearly wage so fixed divided by fifty-two;

4. The wages were fixed by the day, hour, or by the output of the employe, the average weekly wage shall be the wage most favorable to the employe computed by dividing by thirteen the wages (not including overtime or premium pay) of said employe earned in the employ of the employer in the first, second, third, or fourth period of thirteen consecutive calendar weeks in the fifty-two weeks immediately preceding the injury.

5. The employe had been in the employ of the employer less than thirteen calendar weeks immediately preceding the injury, his average weekly wage shall be computed under paragraph (4), taking the wages (not including overtime or premium pay) for such purpose to be the amount he would have earned had he been so employed by the employer the full thirteen calendar weeks immediately preceding the injury and had worked, when work was available to other employes in a similar occupation.

6. The hourly wage has not been fixed or can not be ascertained, the wage for the purpose of calculating compensation shall be taken to be the usual wage for similar services where such services are rendered by paid employes.

(b) In occupations which are exclusively seasonal and therefore cannot be carried on throughout the year, the average weekly wage shall be taken to be one-fiftieth of the total wages which the employe has earned from all occupations during the twelve calendar months immedately preceding the injury.

(c) In the case of volunteer firemen, police, and civil defense members or trainees, the income benefits shall be based on the average weekly wage in their regular employment.

(d) If the employe was a minor, apprentice or trainee when injured, and it is established that under normal conditions his wages should be expected to increase during the period of disability, that fact may be considered in computing his average weekly wage.

(e) When the employe is working under concurrent contracts with two or more employers and the defendant employer has knowledge of such employment prior to the injury, his wages from all such

employers shall be considered as if earned from the employer liable for compensation.

(f) The term "wages" as used in this section means, in addition to money payments for services rendered, the reasonable value of board, rent, housing, lodging, and fuel or similar advantage received from the employer, and gratuities received in the course of employment from others than the employer to the extent such gratuities are reported for income tax purposes.

[Compensation shall be computed at the average weekly wage earned by the employe at the time of injury reckoning wages as earned while working at full time. "All full time" as used herein means a full working day for five days in every week of the year regardless of whether the injured employe actually worked all or part of the time. If the employe shall not have been employed a sufficient length of time to establish an average weekly wage, then compensation shall be based upon the average weekly wage as herein defined of those employes of the same employer in the same or most similar type of employment.]

(2) For the purposes of this act the average weekly wage of the state shall be determined by the Director as follows: On or before September 1 of each year, the total wages reported by subject employers under the Kentucky Unemployment Insurance law for the preceding calendar year shall be divided by the average monthly number of insured workers (determined by dividing the total number of insured workers reported for the preceding year by twelve.) The average annual wage thus obtained shall be divided by fifty-two and the average weekly wage thus determined rounded to the nearest cent. Such average weekly wage shall be certified to the Director by the Department of Economic Security in a manner prescribed by the Workmen's Compensation Board by regulation. The average weekly wage as so determined shall be applicable for the full period during which income or death benefits are payable, when the date of occurrence of injury or of disablement in the case of disease, or of death, falls within the calendar year commencing January 1 following the September 1 determination. Whenever a change in the average weekly wage of the state is of such amount that the minimum weekly income benefits for total disability or for death are increased or decreased by one dollar or more, or the maximum weekly income benefits for total disability or for death are deceased by two dollars or more, computed in each case and rounded to the nearest dollar, an adjustment in those minimums or maximums which are affected in the requisite amount by the change in the average weekly wage of the state shall be made which will reflect this increase or decrease, but no change in such limitations shall otherwise be made.

[If the employe, at the time of the injury, is regularly employed in a higher grade of work or occupation than formerly during the year, and with larger regular wages, only such higher grade of work or occupation, if it is not seasonal, shall be taken into consideration in computing his average weekly wages.]

Section 15. Section 342.215 of the Kentucky Revised Statutes is amended to read as follows:

[(1)] The Workmen's Compensation Board shall consist of five members appointed by the Governor and shall be *attached to* [a part of] the Department of Labor *for administrative services.*

[(2)] *(1)* Each member of the board shall hold office for four years and until his successor is appointed and qualified. Upon the expiration of the term of any member, his successor shall be appointed for a full term of four years. Vacancies shall be filled by appointment for the unexpired term. [(3)] *The members of the board shall have the qualifications required of circuit judges.* The Governor shall designate a member of the board to serve as chairman for a term of four years. Any vacancy in the chairmanship shall be filled by the Governor.

Section 16. Section 342.230 of the Kentucky Revised Statutes is amended to read as follows:

(1) Upon the recommendation of *the director,* the board, [and] within the limits of appropriations therefor, [the Commissioner of Labor] shall establish and fill any positions, including medical services and advice, necessary to carry on the board's work.

(2) The *Governor* [Commissioner of Labor] shall [also] appoint a *director* [an executive secretary] of the board who shall have immediate supervision of the employes of the board and perform such duties as are assigned him. The *director* [executive secretary] shall be an attorney who has been admitted to practice law in Kentucky and shall have practiced law for at least three years. He shall keep and be the custodian of the records of the board, *shall annually report the activities of the board to the Governor,* and shall devote his full time to the duties of his office. He shall receive a salary to be fixed by the Governor.

(3) The Governor shall appoint not more than fifteen hearing officers each of whom shall be an attorney admitted to practice law in Kentucky and shall have practiced law for at least three years. These officers, upon the direction of the Director or the board, shall conduct hearings, and otherwise supervise the presentation of evidence and perform any other duties assigned to them by the director or the board except that such hearing officers shall not render final decisions, orders, or awards. However such hearing officers may, in receiving evidence on behalf of the board, make such rulings affecting the competency, relevancy, and materiality of the evidence about to be presented and upon motions presented during the taking of evidence as will expedite the preparation of the case.

[(3)] *(4)* The board may at any time recommend the removal of *the director or any hearing officer* [any appointee] upon filing with the *Governor* [Commissioner of Labor] a full written statement of its reasons for such removal.

Section 17. Section 342.245 of the Kentucky Revised Statutes is amended to read as follows:

The board shall fix and adopt, *in regulations published by the board,* at least one day of the week on which regular meetings shall be held *weekly* [bi-weekly] for the transaction of all business. A quorum of the board shall be present at its main office [not later than 11 a.m.] and remaining at the office, or available thereto, *during regular working hours on the days designated* [, until 5 p.m. of that day]. When necessary the chairman shall call the board together at any time during business hours on any other day to consider and transact any business before it. All proceedings of the board shall be recorded in a book kept for that purpose by the *Director* [secretary], which shall constitute a public record and shall contain an entry of each case, claim or proceeding considered, heard or passed upon by the board or a member thereof, with the award, finding or decisions made thereon.

Section 18. Section 342.255 of the Kentucky Revised Statutes is amended to read as follows:

(1) A majority of the board shall constitute a quorum for the transaction of business, and, so long as a majority remains, vacancies shall not impair the right of the remaining members to exercise all the powers of the full board nor relieve them from discharging the duties of the board.

(2) Any investigation, inquiry or hearing which the board is authorized to hold or undertake may be held or undertaken by or before any one member of the board, *the director* or a *hearing officer* [referee] acting [for him,] under authorization of the board. Any investigation, inquiry, hearing or decision of the board and any order made by a member thereof, when approved by a majority of the members and so shown on a record of its proceedings, shall be considered an order of the board.

Section 19. Section 342.270 of the Kentucky Revised Statutes is amended to read as follows:

(1) If the parties fail to reach an agreement in regard to compensation under this chapter, [or if they have previously filed such an agreement with the board and compensation has been paid or is due in accordance therewith and the parties thereafter disagree,] either party may make written application to the board for a hearing in regard to the matter at issue and for a ruling thereon. Such application must be filed within one year after the accident, or, in case of

death, within one year after such death, or within one year after the cessation of voluntary payments, if any have been made.

(2) As soon as possible after the application has been received the board shall set the date for a hearing, to be held as soon as is practicable in view of the matter involved, and shall notify the parties at issue of the time and place of such hearing.

(3) Unless otherwise agreed to by the parties and authorized by the board, the hearing shall be held at or convenient to the place where the injury was sustained or the ground for disagreement occurred. Before directing a hearing, the board, [or] a member thereof [or] *the Director or a hearing officer* [referee] authorized by the board, may confer informally with the parties at issue in an attempt to assist in adjusting their differences, but may not delay the granting of a hearing, over the objection of either party, for such purpose.

(4) *If the parties have previously filed an agreement which has been approved by the board and compensation has been paid or is due in accordance therewith and the parties thereafter disagree either party may invoke the provisions of KRS 342.125 which remedy shall be exclusive.*

(5) *An application for adjustment of claim shall be held in abeyance by the board during any period voluntary payments of compensation are being made under any benefit sections of this Act to the maximum which the employe's wages shall entitle him, unless it shall be shown that the prosecution of the employe's claim would be prejudiced by delay.*

Section 20. Section 342.275 of the Kentucky Revised Statutes is amended to read as follows:

The board, or any of its members, *the director or any hearing officer directed by the board* shall hear the parties at issue and their representatives and witnesses and the *full board* shall determine the dispute in a summary manner. The award, *order, or decision* shall be made within thirty days after final submission, except in cases involving large or complicated records or unusual questions of law, and shall be made within *sixty* [ninety] days after final submission in any event. *However, if the award, order, or decision is not rendered within thirty days the board shall notify the parties in dispute setting out the reasons for such delay.* The award, *order or decision,* together with a statement of the findings of fact, rulings of law and any other matters pertinent to the question at issue shall be filed with the record of proceedings, and a copy of the award, *order or decision* shall immediately be sent to the parties in dispute.

Section 21. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) Within fourteen days from the date of the award, order or decision any party may file a petition for reconsideration of the award, order, or decision of the full board. The petition for reconsideration shall clearly set out the errors relied upon with the reasons and argument for reconsideration of the pending award, order, or decision. All other parties shall have ten days thereafter to file a response to the petition. The board shall be limited in such review to the correction of errors patently appearing upon the face of the award, order, or decision and shall overrule the petition for reconsideration or make such correction within ten days after submission.

Section 22. Section 342.285 of the Kentucky Revised Statutes is amended to read as follows:

(1) An award or order of the board as provided in KRS 342.275, *if petition for reconsideration is not filed as provided for in Section 21* [if application for review is not filed as provided for in KRS 342.280], shall be conclusive and binding as to all questions of fact, but either party may within twenty days after the rendition of such final award or order of the board, by petition appeal to the circuit court that would have jurisdiction to try an action for damages for the injuries if this chapter did not exist, for review of such order or award, the board and the adverse party being made respondents. The board shall be named respondent as the Workmen's Compensation Board, and service shall be had on the *Director* [executive secretary].

(2) The petition shall state fully the grounds upon which a review is sought, and assign all errors relied on. Summons shall issue upon the petition directing the adverse party to file answer within fifteen days after service thereof and directing the board to send its entire original record, properly bound, to the clerk of the circuit court, after certifying that such record is its entire original record, which shall be filed by the clerk of the circuit court and such record shall then become and be considered by the circuit court on the review.

(3) No new or additional evidence may be introduced in the circuit court except as to the fraud or misconduct of some person engaged in the administration of this chapter and affecting the order, ruling or award, but the court shall otherwise hear the cause upon the record as certified by the board and shall dispose of the cause in summary manner. [,] *The court shall not substitute its judgment for that of the Board as to the weight of evidence on questions of fact,* its review being limited to determining whether or not:

(a) The board acted without or in excess of its powers;

(b) The order, decision, or award was procured by fraud;

(c) The order, decision, or award is not in conformity to the provisions of this chapter; [and]

(d) The order, decision, or award is clearly erroneous on the basis of the reliable, probative, and material evidence contained in the whole record; or [if findings of fact are in issue, whether such findings of fact support the order, decision or award.]

(e) The order, decision, or award is arbitrary or capricious or characterized by abuse of discretion or clearly unwarranted exercise of discretion.

(4) The board and each party may appear in such review proceedings; the court shall enter judgment affirming, modifying or setting aside the order, decision or award, or in its discretion remanding the cause to the board for further proceedings in conformity with the direction of the court. The court may, before judgment and upon a sufficient showing of fact, remand the cause to the board.

Section 23. Section 342.290 of the Kentucky Revised Statutes is amended to read as follows:

(1) Where an amount sufficient under KRS 21.060 to authorize an appeal to the Court of Appeals is involved, the judgment of the circuit court shall be subject to appeal to the Court of Appeals. The scope of review by the Court of Appeals shall include all matters subject to review by the circuit court and also errors of law arising in the circuit court and upon appeal made reviewable by the *Rules of Civil Procedure* [Civil Code of procedure] where not in conflict with this chapter.

(2) The procedure as to appeal to the Court of Appeals shall be the same as in civil actions, so far as it is applicable to and not in conflict with this chapter, except as follows:

(a) The appellant shall file with the clerk of the circuit court, together with proof or acknowledgment of service, a schedule which indicates the portions of the record to be incorporated into the transcript of the record to be used on appeal to the Court of Appeals. Should the appellee or his counsel desire additional portions of the record incorporated into the record to be filed in the Court of Appeals, he may file with the clerk of the circuit court his schedule also within ten days thereafter (unless the time is extended by order of the circuit court or the Court of Appeals), indicating the additional portions of the record desired by him. Provided, however, that if the original record of the Workmen's Compensation Board is desired by either party on appeal to the Court of Appeals, it shall not be necessary for the clerk of the circuit court to copy said original record into the transcript, but the same shall be and become a part of the transcript and shall be forwarded to the Clerk of the Court of Appeals as a part of the record upon appeal to said court. The clerk shall not be entitled to any transcript fee for such original record.

(3) The clerk of the circuit court will transmit to the Court of

Appeals as the transcript of the record only those portions of the record of the lower court as are designated by the parties as above.

(4) The appeal shall be advanced on the Court of Appeals docket without motion or notice.

Section 24. Section 342.316 of the Kentucky Revised Statutes is amended to read as follows:

(1) "Occupational disease" as used in this chapter means a disease arising out of and in the course of the employment. Ordinary diseases of life to which the general public is equally exposed outside of the employment shall not be compensable, except where such diseases follow as an incident of an occupational disease as defined in this section.

(a) A disease shall be deemed to arise out of the employment only if there is apparent to the rational mind, upon consideration of all the circumstances, a direct causal connection between the conditions under which the work is performed and the occupational disease, and which can be seen to have followed as a natural incident to the work as a result of the exposure occasioned by the nature of the employment and which can be fairly traced to the employment as the proximate cause, and which does not come from a hazard to which workmen would have been equally exposed outside of the employment. The disease shall be incidental to the character of the business and not independent of the relationship of employer and employe. The disease need not have been foreseen or expected but, after its contraction, it must appear to have had its origin in a risk connected with the employment and to have flowed from that source as a rational consequence.

(b) "Injurious exposure" as used in this section shall mean that exposure to occupational hazard which would, independently of any other cause whatsoever, produce or cause the disease for which claim is made.

(2) The procedure with respect to the giving of notice and as to the filing of claims and determination thereof in occupational disease cases and the compensation and medical benefits payable for disability or death due to such disease shall be the same as in cases of accidental injury or death under the general provisions of this chapter except that notice of claim shall be given to the employer as soon as practicable after the employe first experiences a distinct manifestation of an occupational disease in the form of symptoms reasonably sufficient to apprise him that he has contracted such disease, or a diagnosis of such disease is first communicated to him, whichever shall first occur.

(3) The right to compensation under this chapter for disability resulting from an occupational disease shall be forever barred unless

a claim is filed with the Workmen's Compensation Board within one year after the last injurious exposure to the occupational hazard or after the employe first experiences a distinct manifestation of an occupational disease in the form of symptoms reasonably sufficient to apprise him that he has contracted the disease, whichever shall last occur; and if death results from the occupational disease within said period, unless a claim therefor be filed with the Workmen's Compensation Board within one year after such death; provided, however, that notice of such claim shall be deemed waived in case of disability or death where the employer, or his insurance carrier, voluntarily makes payment therefor, or, if the incurrence of the disease or the death of the employe ,and its cause was known to the employer. Provided, however, that the right to compensation for any occupational disease shall be forever barred unless a claim is filed with the Workmen's Compensation Board within five years from the last injurious exposure to the occupational hazard, [.] *except that, in cases of radiation disease, a claim must be filed within ten years from the last injurious exposure to the occupational hazard.*

(4) In claims for compensation due to the occupational disease of silicosis or any other compensable pneumoconiosis it must be shown that the employe was exposed to the hazards of the disease in his employment within this state for at least two years immediately next before his disability or death.

(5) The amount of compensation payable for disability due to occupational disease or for death from such disease, and the time and manner of its payment, shall be the same as provided for accidental injury or death under the general provisions of the Workmen's Compensation Act, but in no event to exceed such amounts as were in effect at the time of the last injurious exposure, and provided further, that the time of the beginning of compensation payments shall be the date of the employe's last injurious exposure to the cause of the disease, or the date of actual disability, whichever is later, and provided further, that in case of death where the employe has been awarded compensation or made timely claim within the period provided for in this section, an employe has suffered continuous disability to the date of his death occurring at any time within ten years from the date of disability, his dependents, if any, shall be awarded compensation for his death as provided for under the general provisions of the Workmen's Compensation Act and in this section.

(6) In case of disability or death from silicosis, or any other compensable pneumoconiosis, complicated with tuberculosis of the lungs, compensation shall be payable as for the uncomplicated disease, provided, however, that the disease was an essential factor in causing such disability or death.

(7) If an autopsy has been performed, no testimony relative

thereto shall be competent unless the employer or his representative and a representative of the deceasd employe shall have participated therein or been given reasonable opportunity to do so.

(8) No compensation shall be payable for occupational disease if the employe at the time of entering the employment of the employer by whom compensation would otherwise be payable, falsely represented himself, in writing, as not having been previously disabled, laid off, or compensated in damages or otherwise, because of such disease, or failed or omitted truthfully to state to the best of his knowledge, in answer to written inquiry made by the employer, the place, duration and nature of previous employment, or, to the best of his knowledge, the previous state of his health.

(9) Where an occupational disease is aggravated by other disease or infirmity not itself compensable, or where disability or death from any other cause not itself compensable, is aggravated, prolonged, accelerated or in anywise contributed to by occupational disease the compensation payable shall be reduced and limited to such proportion only of the compensation that would be payable if occupational disease were the sole cause of the disability or death as such occupational disease, as a causative factor, bears to all causes of such disability or death, such reduction in compensation to be affected by reducing the number of weekly or monthly payments or the amount of such payments as under the circumstances of the particular case may be for the best interests of the claimant or claimants.

(10) No compensation for death from occupational disease shall be payable to any person whose relationship to the deceased, which, under the provisions of this chapter would give right to compensation, arose, subsequent to the beginning of the first compensable disability, save only to after-born children of a marriage existing at the beginning of such disability.

(11) Whenever any claimant misconceives his remedy and files an application for adjustment of claim under the general provisions of this chapter and it is subsequently discovered, at any time before the final disposition of such cause, that the claim for injury, disability or death which was the basis for such application should properly have been made under the provisions of this section, then the application so filed may be amended in form or substance, or both, to assert a claim for such injury, disability or death under the provisions of this section, and it shall be deemed to have been so filed as amended on the date of the original filing thereof, and such compensation may be awarded as is warranted by the whole evidence pursuant to the provisions of this chapter. When such amendment is submitted, further or additional evidence may be heard by the board when deemed necessary. Nothing this section contains shall be construed to be or permit a waiver of any of the provisions of this chap-

ter with reference to notice of time for filing of a claim, but notice of filing a claim, if given or done, shall be deemed to be a notice of filing of a claim under provisions of this chapter, if given or done within the time required herein.

(12) When an employe has an occupational disease that is covered by this chapter, the employer in whose employment he was last injuriously exposed to the hazard of the disease, and the employer's insurance carrier, if any, at the time of the exposure, shall alone be liable therefor, without right to contribution from any prior employer or insurance carrier; except as otherwise provided herein.

(13) (a) The employer liable for compensation for occupational diseases, other than silicosis or any other compensable pneumoconiosis, which developed to the point of disablement only after an exposure of five or more years, or for silicosis and any other compensable pneumoconiosis, shall be the employer in whose employment the employe was last exposed to the hazard of such occupational disease during a period of six months or more. In those cases where disability or death are not conclusively proven to be the result of such last exposure all compensation shall be paid out of the *Special* [Subsequent Claim] Fund. In all other cases of occupational diseases, other than silicosis or any other compensable pneumoconiosis, which developed to the point of disablement only after an exposure of five or more years, or for silicosis and any other compensable pneumoconiosis, the compensation for disability or death due to such diseases shall be paid jointly by the employer and the *Special* [Subsequent Claim] Fund, and the employer shall be liable for sixty percent of the compensation due and the *Special* [Subsequent Claim] Fund shall be liable for forty percent of the compensation due. *Provided, however, that when there is a joint award against the carrier or self-insured employer and the Special Fund under this section, all of the compensation awarded shall be paid by the carrier or self-insured employer, and the carrier or self-insured employer shall be reimbursed for such payments from the Special Fund on a quarterly basis and under such regulations as the board may provide for such purpose.*

(b) In all claims for compensation partially payable by the *Special* [Subsequent Claim] Fund the Commissioner of Labor, as custodian of said fund, shall be designated as codefendant.

(c) In all agreements for the payment of compensation and awards the amount payable by the employer and the amount payable out of the *Special* [Subsequent Claim] Fund shall be separately stated. An award against the employer shall be for only the percentage of the total compensation which the employer is obligated to pay. A separate award shall be made against the *Special* [Subsequent Claim] Fund for the balance of the compensation payable. Nothing in this section shall prohibit the Commissioner of Labor, as custodian of the *Special* [Subsequent Claim] Fund, from entering into agreements to pay the compensation for which it is liable; provided, however, that where compensation is payable by both the employer and the *Special* [Subsequent Claim] Fund, the commissioner shall not enter into an agreement unless the employer is a party to the agreement.

Section 25. Section 342.320 of the Kentucky Revised Statutes is amended to read as follows:

(1) All fees of attorneys and physicians, and all charges of hospitals under this chapter, shall be subject to the approval of the board. No attorney fees shall be allowed or approved against any party not represented by said attorney, nor shall any attorney fee be allowed or approved exceeding an amount equal to twenty percent of the amount recovered. The board may reduce the attorney's fee to an amount commensurate with the services performed, or may deny or reduce an attorney's fee upon proof of solicitation of employment.

(2) No attorney's fee in any case involving benefits under this Act shall be paid until the fee is approved by the Board, and any contract for the payment of attorney's fees otherwise than as provided in this section shall be void. The entire attorney's fee in a lump sum shall be paid directly to the attorney of record, and the board in allowing or approving an attorney's fee, as provided in this section, shall order the payment of same directly to the attorney, commuting sufficient of the final payments of compensation payable under the award to a lump sum for that purpose.

Section 26. Section 342.480 of the Kentucky Revised Statutes is amended to read as follows:

(1) All taxes and assessments imposed by KRS 342.450 and 342.475 shall be paid into the State Treasury and shall be credited to a maintenance fund for the board. The maintenance fund shall be used for ordinary recurring expenses of operation and *for no other purpose and* shall be expended in each year by the board under the supervision of the Commissioner of Labor and by allotments made by the budgetary officer of the Department of Finance.

(2) At such intervals as may be determined by the *board* [Commissioner of Labor], the *Director* [board] may compile and publish for distribution all or any part of its official proceedings, and may charge a subscription fee sufficient to defray the expenses of such operation.

(3) Any sum remaining in the maintenance fund to the credit of the Workmen's Compensation Board at the end of any fiscal year shall be *transferred* [set up] by the Department of Finance to the credit of the *Special Fund established by KRS 342.122* [Workmen's Compensation Board] for the next ensuing fiscal year.

Section 27. Sections 342.225, 342.280 and 351.240 of the Kentucky Revised Statutes are repealed.

Section 28. This Act shall become effective August 1, 1964.

Said Committee Amendment to **SB 250** is as follows:

Amend printed copy of Senate Bill 250 on page 23 after line 16, before line 17, by:

inserting the following:

"(g) The board shall, from time to time, based upon the best available information, determine by regulation industries which ordinarily do not have a full working day for five days in every week. In such industries compensation shall be computed at the average weekly wage earned by the employee at the time of injury reckoning wages as earned while working full-time. "At full time" as used herein means a full working day for five working days in every week regardless of whether the injured employee actually worked all or part of the time."

SB 208, AN ACT relating to notaries public.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 423.010 is amended to read:

The Secretary of State may appoint as many notaries public as he deems necessary, who shall hold office for *two* [four] years. Any person desiring to be appointed a notary public shall make written application to the Secretary of State. The application shall be approved by the circuit judge, circuit clerk, county judge, county clerk, justice of the peace or a member of the General Assembly of the county of the residence of the applicant. No officer shall charge or accept any fee for approving the application. *Except as to notaries whose certificates became effective prior to the enactment of this provision, each applicant shall be charged a fee of five dollars to be paid into a revolving fund for the administration of the law relating to notaries public which shall be administered by the Secretary of State.* A notary public must be twenty-one years of age, a resident of the county from which he makes his application, of good moral character and capable of discharging the duties imposed upon him by this chapter, and the endorsement of the officer approving the application shall so state. The Secretary of State, in his certificate of appointment to the applicant, must designate the limits within which the notary is to act. *The Secretary of State shall send the certificate to the county court clerk of the county from which application was made, and shall also mail notice thereof to the applicant. The applicant shall appear before the county court clerk to take an oath that he will honestly and diligently discharge the duties of his* *office, and to execute an obligation with good security for the proper discharge of the duties fo his office. The applicant shall also pay the clerk the fee for recording the certificate. If the applicant fails to appear to take the oath, execute the bond and record his certificate within thirty days after the clerk receives the certificate the clerk shall return the certificate of appointment to the Secretary of State.* [Before a notary acts, he must take an oath in the county court of his county that he will honestly and diligently discharge the duties of his office. He must in the same court give an obligation with good security for the proper discharge of the duties of his office.] Every certificate of a notary public shall state the date of the expiration of his commission. The Secretary of State shall give to each notary appointed a certificate of his appointment under the seal of the Commonwealth of Kentucky. [in lieu of a Commission heretofore required to be issued to said notary by the Governor of Kentucky, and receive the same fee for the certificate that he now receives for attesting the Commission issued by the Governor.]

Said Committee Amendment to **SB 208** is as follows:

Amend printed copy of Senate Bill 208 on page 1, line 3, by:

deleting the word "two" and removing the brackets from around the word "four"

HB 350, AN ACT changing the classification of the City of Edmonton, in Metcalfe County.

WHEREAS, satisfactory information has been presented to the General Assembly that the population of the City of Edmonton, in Metcalfe County, is such as to justify its being classified as a city of the fifth class;

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

The city of Edmonton, in Metcalfe County, is transferred from the sixth to fifth class of cities.

SB 180, AN ACT relating to entertainment booking agents.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Definitions: For purposes of this Act,

(a) "Entertainment" means any and all types of musical and acting abilities, services and performances whether made, given, or done by a single person or by a group, consisting of two or more persons. Person(s) engaging in or giving such types of muscial or acting performances shall be known as entertainer(s), and shall include all singers, dancers, actors, actresses, and musical-instrument players, who perform for pay.

(b) "Booking agent" means any person, partnership or corporation located or residing in this Commonwealth or located or residing in any other state of the United States outside of this Commonwealth, who contracts for the services, including scheduling such services as to specific date, time, duration, and location, of any entertainer(s) as defined in subsection (a).

(c) "Department" means the Department of Revenue.

Section 2. No person shall engage in the occupation of entertainment booking agent until he has paid to the Department of Revenue the fees prescribed in this section and obtained a license therefor. Before booking entertainment in this state, each person so engaged shall pay the following fees for the calendar year or fraction thereof:

(a) An annual license fee of thirty-five dollars ($35.00) shall accompany each application for a license or the renewal of a license, to be known as a booking agent's license.

(b) A performance bond for the amount of five thousand dollars ($5,000.00) shall accompany each license application and shall be posted with the Department of Revenue to insure the performance of entertainers whose services may be contracted for through such booking agent.

(c) Any person operating as a booking agent or performing such services in this state without first having paid the fee and obtained the license prescribed in this section shall be subject to a penalty of fifty percent of the amount of the license fee, in addition to the fee itself, and six percent interest until paid. Additionally, any person operating as an entertainment booking agent or performing such services in this state who willfully fails, neglects or refuses to make a report, or to pay the license fees as herein prescribed, or who shall refuse to permit the department to examine the books, papers and records of any promotion shall be guilty of a misdemeanor, and shall be fined not less than one hundred dollars nor more than one thousand dollars, or imprisoned for a term not to exceed six months, or both.

(d) Any booking agent shall pay to the adversely affected party an indemnity to be specified by contract for any entertainment not performed as specified by such contract. Failure of the booking agent to pay such indemnity within sixty days shall be cause for the Department of Revenue to declare as forfeit all or that portion of the performance bond necessary to make such indemnification.

Senator Kinkead moved that when we adjourn today that we do so in honor of Senator Buckman's birthday. Agreed.

Senator Nichols moved that the Senate adjourn until 3:00 P.M., Monday, March 16. Agreed.

MONDAY, MARCH 16, 1964

FIFTY-SIXTH LEGISLATIVE DAY

The Senate was called to order by the President.

Prayer by the Reverend John C. Chenault of the First Christian Church of Frankfort.

The roll was called. All Senators were present.

Reading of the Journal for March 13 dispensed with and the same approved on motion of Senator McCann.

Introduction of Resolutions

SR 51, by Senator McCann: A RESOLUTION proclaiming that Memorial Day, May 30, also commemorate the birthday of our late, beloved President, John F. Kennedy.

WHEREAS, our late, beloved President, John F. Kennedy, was born on May 29; and

WHEREAS, it is most appropriate to commemorate the birthday of John F. Kennedy, who distinguished himself by his heroic acts in World War II, on a day commemorating war heroes; and

WHEREAS, President Kennedy died while in the service of his country, which he so dearly loved, as did our war heroes; and

WHEREAS, our hearts are heavy over the loss of President John F. Kennedy, who met his untimley death by an act of violence;

NOW, THEREFORE,

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky:

That Memorial Day, May 30, be proclaimed as a day which commemorates the birthday of our late, beloved President, John F. Kennedy, as well as a day on which we commemorate those who died in the wars.

Senator McCann moved the adoption of **SR 51.** Agreed.

SR 52, by Senator Billington: A RESOLUTION directing the Legislative Research Commission to make a study concerning methods of recordation of official documents and legal instruments.

WHEREAS, the various haphazard methods of recording and indexing deeds, mortgages and other instruments affecting the title and ownership of real estate throughout the one hundred and twenty counties of the Commonwealth are constantly irregular, often inaccurate and occasionally erroneous; and

WHEREAS, many counties index the names of the grantor and grantee by handwriting that is often illegible and always in such manner that many pages must be searched for names as well as descriptions of property; and

WHEREAS, the many irregular methods of recording together with the illegible and exhaustive method of indexing make it unreasonably difficult, if not practically impossible for owners of property to determine with any degree of certainty the immediate source of their title or the chain from which it has been derived; and

WHEREAS, it is desirable that all citizens, taxpayers and those interested in real estate of the Commonwealth be protected in the ownership of their homes and secured in their investments; and

WHEREAS, the method of recording and indexing of all recordable instruments in the state should be modern, efficient and uniform throughout;

NOW, THEREFORE,

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky:

That the Legislative Research Commission be authorized to make a study and investigation of the most modern and efficient methods of recording and indexing of official documents and instruments affecting the title to real estate and report to the next session of the General Assembly in order that appropriate legislation may be enacted to make our recording and indexing systems more efficient, modern and uniform for the protection and security of the property owners and investors in their homes and other real estate within our Commonwealth.

Senator Billington moved the adoption of **SR 52.** Agreed.

The President vacated the chair, Senator Ware, President Pro Tempore presiding.

House Message

Announcing passage of **HB 121, HB 153, HB 204, HB 215, HB 227, HB 254, HB 267, HB 286, HB 290, HB 313, HB 361, HB 389, HB 393, HB 416, HB 422, HB 428, HB 462, HB 469, HB 473, HB 474, HB 487, HB 488, HB 490, HR 82.**

Calendar

SB 255, SB 257, HB 371, HB 3, with Committee Amendments, **HB 145, SB 250,** with Committee Amendment, **SB 208,** with Committee Amendment, **HB 350, SB 180** taken from the Calendar and order read at length for the second time. Senator Gardner moved that they be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

Orders of the Day

HB 309 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Garrett moved the Previous Question on **HB 309.** Agreed.

On the roll call the vote was yeas 36—Billington, Blue, Bonn, Brand, Brizendine, Buckman, Cobb, Derickson, Duffy, Duncan, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

HB 309 was passed and the title agreed to.

Senator Garrett moved that the vote by which **HB 309** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 115 taken from Orders of the Day by way of Committee Substitute and ordered read at length for the third time. Senator Gardner moved that the Committee Substitute to **SB 115** be read by title only. Agreed by a majority of members elected.

Senator Ware moved to amend **SB 115** by way of the Committee Substitute. Agreed.

Senator Buckman moved, seconded by Senator McCann, that the printed copy of **SB 96** be substituted in lieu of the Committee Substitute to **SB 115,** which has just been adopted.

The Chair ruled that **SB 96** may be substituted for the Committee Substitute to **SB 115.**

Senator Kelly moved that action be postponed on **SB 115** until 4:00 P.M., Tuesday, March 17. Senators McCann and Kelly requested a roll call on Senator Kelly's motion.

On the roll call the vote was yeas 11—Blue, Edwards, Fuqua, Garrett, Howard, Kelly, Layne, Mobley, Newberry, Palmer, Swope. Nays 18—Billington, Bonn, Brand, Brizendine, Buckman, Duffy, Engle, D. Johnson, Kidwell, Kinkead, Kiser, Mann, McCann, McGinty, Miller, Spence, Turner, Ware.

The motion to postpone action on **SB 115** was rejected.

Senator Blue moved that action be postponed indefinitely on the Committee Substitute to **SB 115.**

The Chair ruled that Senator Buckman's motion to substitute the printed copy of **SB 96** for the Committee Substitute to **SB 115** takes precedence over Senator Blue's motion to postpone indefinitely action on the Committee Substitute to **SB 115.**

Senator McCann moved to table the Committee Substitute to **SB 115.**

The Chair ruled Senator McCann's motion out of order because of the lack of a second.

Senator Buckman moved the Previous Question on his motion to substitute the printed copy of **SB 96** for the Committee Substitute to **SB 115.** Said motion seconded by Senator Howard. Agreed.

On the roll call the vote was yeas 27—Billington, Blue, Bonn, Brand, Buckman, Cobb, Duncan, Edwards, Engle, Gardner, Gay, Howard, D. Johnson, Kidwell, Layne, Mann, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Raybourne, Spence, Swope, Van Hoose, Ware. Nays 9—Brizendine, Duffy, Fuqua, Garrett, F. Johnson, Kinkead, Kiser, Palmer, Turner.

SB 115, as amended, was passed and the title agreed to.

Senator Buckman moved that the vote by which **SB 115**, as amended, was passed be reconsidered and that said motion be laid on the table. Agreed.

House Message

Announcing passage of **HB 432.**

HB 347 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Garrett moved the Previous Question on **HB 347.** Agreed.

On the roll call the vote was yeas 32—Billington, Blue, Bonn, Brand, Brizendine, Buckman, Cobb, Derickson, Edwards, Engle, Fuqua, Gardner, Garrett, Howard, D. Johnson, F. Johnson, Kelly, Kinkead, Kiser, Layne, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Ware. Nays 0.

HB 347 was passed and the title agreed to.

Senator Garrett moved that the vote by which **HB 347** was passed be reconsidered and that said motion be laid on the table. Agreed.

HB 27 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 27.** Agreed.

On the roll call the vote was yeas 28—Billington, Bonn, Brand, Brizendine, Buckman, Derickson, Edwards, Engle, Fuqua, Gardner, Garrett, Howard, F. Johnson, Kelly, Kinkead, Kiser, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Ware. Nays 0.

HB 27 was passed and the title agreed to.

Senator Ware moved that the vote by whchi **HB 27** was passed be reconsidered and that said motion be laid on the table. Agreed.

The President vacated the chair, Senator Ware, President Pro Tempore, presiding.

SB 147 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Buckman moved the Previous Question on **SB 147.** Agreed.

On the roll call the vote was yeas 27—Billington, Bonn, Brand, Brizendine, Buckman, Cobb, Derickson, Engle, Fuqua, Gardner, Gay, Howard, F. Johnson, Kelly, Kinkead, Kiser, Layne, Mann, Miller, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Ware. Nays 3—Garrett, Mobley, Van Hoose.

SB 147 was passed and the title agreed to.

Senator Buckman moved that the vote by which **SB 147** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 187 taken from Orders of the Day, with the Committee Amendments attached thereto, and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the adoption of Committee Amendment #1 to **SB 187.** Agreed.

Said Committee Amendment #1 to **SB 187** is as follows:

Amend printed copy of Senate Bill 187 on page 1, line 4, by:
deleting "unknown" and inserting in lieu "[unnatural]"

Senator Gardner moved the adoption of Committee Amendment #2 to **SB 187.** Agreed.

Said Committee Amendment #2 to **SB 187** is as follows:

Amend printed copy of Senate Bill 187 on page 1, lines 8 through 12, and page 2, lines 1 and 8 by:

underscoring all of said lines

Senator Raybourne moved the Previous Question on **SB 187,** as amended. Agreed.

On the roll call the vote was yeas 34—Billington, Blue, Bonn, Brand, Brizendine, Buckman, Cobb, Derickson, Duffy, Engle, Fuqua, Gardner, Garrett, Gay, Howard, D. Johnson, F. Johnson, Kelly, Kiser, Layne, Mann, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

SB 187, as amended, was passed and the title agreed to.

Senator Raybourne moved that the vote by which **SB 187,** as amended, was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 246 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the Previous Question on **SB 246.** Agreed.

On the roll call the vote was yeas 35—Billington, Blue, Bonn, Brand Brizendine, Buckman, Cobb, Derickson, Duffy, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, Howard, F. Johnson, Kelly, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

SB 246 was passed and the title agreed to.

Senator Gardner moved that the vote by which **SB 246** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 226 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the Previous Question on **SB 226.** Agreed.

On the roll call the vote was yeas 31—Billington, Blue, Bonn, Brand, Brizendine, Buckman, Cobb, Derickson, Duffy, Edwards, Engle, Fuqua, Gay, Howard, F. Johnson, Kelly, Kiser, Layne, Mann, McCann, McGinty, Miller, Mobley, Newberry, Nicholls, Palmer, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

SB 226 was passed and the title agreed to.

Senator Turner moved that the vote by which **SB 226** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 234 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the Previous Question on **SB 234.** Agreed.

On the roll call the vote was yeas 25—Billington, Blue, Brand, Brizendine, Cobb, Derickson, Duffy, Edwards, Engle, Fuqua, Gardner, Gay, Howard, D. Johnson, F. Johnson, Kelly, McCann, McGinty, Mobley, Nichols, Palmer, Spence, Swope, Turner, Ware. Nays 0.

SB 234 was passed and the title agreed to.

Senator Gardner moved that the vote by which **SB 234** was passed be reconsidered and that said motion be laid on the table. Agreed.

Report on Enrolled Bills

Committee on Enrollment reported that **HB 5, HB 38, HB 210, HB 208, HB 61, HB 52** had been examined and found correctly enrolled. **HB 5, HB 38, HB 210, HB 208, HB 61, HB 52** read at length, compared, and signed in open session by the President Pro Tempore, Senator Ware. Ordered delivered to the House.

Orders of the Day—Continued

HB 141 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the Previous Question on **HB 141.** Agreed.

On the roll call the vote was yeas 32—Billington, Blue, Brand, Buckman, Cobb, Derickson, Duffy, Duncan, Edwards, Engle, Fuqua, Gardner, Garrett, Howard, D. Johnson, F. Johnson, Kelly, Kiser, Layne, Mann, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Ware. Nays 0.

HB 141 was passed and the title agreed to.

Senator Gardner moved that the vote by which **HB 141** was passed be reconsidered and that said motion be laid on the table. Agreed.

HB 111 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Howard moved the Previous Question on **HB 111.** Agreed.

On the roll call the vote was yeas 30—Billington, Blue, Bonn, Brizendine, Cobb, Derickson, Duffy, Duncan, Edwards, Engle, Fuqua, Gardner, Howard, D. Johnson, F Johnson, Kelly, Kiser, Layne, Mann, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Ware. Nays 0.

HB 111 was passed and the title agreed to.

Senator Howard moved that the vote by which **HB 111** was passed be reconsidered and that said motion be laid on the table. Agreed.

HB 140 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Kelly moved the Previous Question on **HB 140.** Agreed.

On the roll call the vote was yeas 30—Billington, Blue, Bonn, Brizendine, Buckman, Cobb, Derickson, Duffy, Duncan, Edwards, Engle, Fuqua, Gardner, Garrett, Howard, D. Johnson, Kelly, Kiser, Layne, Mann, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Van Hoose, Ware. Nays 0.

HB 140 was passed and the title agreed to.

Senator Kelly moved that the vote by which **HB 140** was passed be reconsidered and that said motion be laid on the table. Agreed.

HB 22 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the Previous Question on **HB 22.** Agreed.

On the roll call the vote was yeas 31—Billington, Blue, Brizendine, Buckman, Cobb, Derickson, Duffy, Duncan, Engle, Fuqua, Gardner, Garrett, Gay, Howard, D. Johnson, F. Johnson, Kelly, Kiser, Layne, Mann, McCann, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Van Hoose, Ware. Nays 0.

HB 22 was passed and the title agreed to.

Senator Gardner moved that the vote by which **HB 22** was passed be reconsidered and that said motion be laid on the table. Agreed.

HB 325 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Kelly moved the Previous Question on **HB 325.** Agreed.

On the roll call the vote was yeas 33—Billington, Blue, Bonn, Brizendine, Buckman, Cobb, Derickson, Duffy, Duncan, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, Howard, D. Johnson, F. Johnson, Kelly, Kiser, Layne, Mann, McCann, McGinty, Miller, Mobley, Nichols, Palmer, Raybourne, Spence, Swope, Van Hoose, Ware. Nays 0.

HB 325 was passed and the title agreed to.

Senator Kelly moved that the vote by which **HB 325** was passed be reconsidered and that said motion be laid on the table. Agreed.

HB 118 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the Previous Question on **HB 118.** Agreed.

On the roll call the vote was yeas 31—Billington, Blue, Bonn, Buckman, Cobb, Derickson, Duffy, Duncan, Edwards, Engle, Fuqua, Gardner, Gay, Howard, D. Johnson, F. Johnson, Kelly, Kiser, Layne, Mann, McCann, McGinty, Miller, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Van Hoose, Ware. Nays 0.

HB 118 was passed and the title agreed to.

Senator Gardner moved that the vote by which **HB 118** was passed be reconsidered and that said motion be laid on the table. Agreed.

Report of Committee

Committee on Rules reported **HB 397, HB 400, HB 435, HB 253, HB 199, HB 404, HB 405, HB 455, HB 367,** with Committee Amendment, **HB 109, HB 419, HB 296, HB 392, HB 451, HB 418, HB 403, HB 453, HB 322, HB 323, HB 164, SB 260, SB 114,** with Committee Substitute, **HB 200, HB 368, HB 458, HB 459, HB 383,** with the expression of opinion that same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 397, AN ACT relating to unemployment insurance.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 341.030 of the Kentucky Revised Statutes is amended to read as follows:

(1) As used in this chapter. unless the context clearly requires otherwise, and except as provided in subsections (2) to (7) of this section, "wages" means all remuneration for services, including commissions, bonuses, and the cash value of all remuneration in any medium other than cash. The reasonable cash value of remuneration

in any medium other than cash shall be estimated and determined in accordance with rules prescribed by the Commission.

(2) Amounts paid to traveling salesmen or other workers as allowance or reimbursement for traveling or other expenses, incurred on the business of the employing unit, constitute wages only to the extent of the excess of such amounts over such expenses actually incurred and accounted for by the worker to his employer.

(3) Gratuities and tips customarily received by a worker in the course of his employment from persons other than his employing unit do not constitute wages.

(4) "Wages" does not include the amount of any payment made to, or on behalf of, a worker under a plan or system established by an employing unit that makes provision for its workers generally or for a class of its workers, including any amount paid by an employing unit for insurance or annuities, or into a fund, to provide for any such payment, on account of:

(a) Retirement;

(b) Sickness or accident disability;

(c) Medical and hospitalization expenses in connection with accident or sickness disability; or

(d) Death, if the worker has not:

1. The option to receive, instead of provision for such death benefit, any part of the payment, or if such death benefit is insured, any part of the premiums or contributions to premiums paid by his employing unit, and

2. The right, under the provisions of the plan or system or policy of insurance providing for such death benefit, to assign such benefit, or to receive a cash consideration in lieu of it either upon his withdrawal from the plan or system providing for such benefit or upon termination of such plan or system or policy of insurance or of his employment with such employing unit.

(5) "Wages" does not include the amount of any payment made by an employing unit without deduction from the remuneration of the worker of the tax imposed under Section 1400 of the Federal Internal Revenue Code.

(6) "Wages" does not include any dismissal payments which an employing unit is not legally required to make unless such payments are subject to a tax under a federal law imposnig a tax against which credit may be taken for contributions required to be paid into a state unemployment fund.

(7) "Wages" does not, for the purposes of KRS 341.260 to 341.290,

include that part of remuneration which, after wages equal to three thousand dollars have been paid to a worker by a subject employer with respect to covered employment during any calendar year, is paid to such worker by such subject employer with respect to covered employment during such calendar year; *except that if the term "wages" as defined in the Federal Unemployment Tax Act is amended to include remuneration in excess of three thousand dollars, "wages" for the purpose of this Chapter shall include remuneration with respect to covered employment up to an amount equal to the amount specified in such Federal Unemployment Tax Act, as amended.* [unless that part of the remuneration is subject to a tax under a federal law imposing a tax against which credit may be taken for contributions required to be paid into a state unemployment fund.] For the purpose of this subsection wages paid to a worker by a predecessor subject employer shall be considered as having been paid by its successor.

Section 2. Section 341.250 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any employing unit that becomes subject to this chapter within any calendar year shall be considered a subject employer during the whole of that calendar year, except as specifically provided in subsections (3) and (4) of this section or elsewhere in this chapter.

(2) Except as provided in subsections (3) and (5) of this section, a subject employer shall cease to be a subject employer only as of the first day of January of any calendar year if he files with the Division, *on or before* [prior to] the *fifteenth* [first] day of *April* [March] of that year, a written application for termination of coverage, and the covered employment performed for such subject employer within the preceding calendar year was not sufficient to render an employing unit a subject employer under subsections (1), (2), (3) *and* (4) [and (6)] of KRS 341.070. The Commissioner may, however, after notifying such employer in writing at his last known address, terminate the coverage of any subject employer as of the first day of January of any calendar year if such subject employer has had no individuals in covered employment in this state at any time during the three preceding calendar years, and the balance of such employer's reserve account may be immediately transferred to the pooled account.

(3) (a) Any employing unit not otherwise subject to this chapter that files with the Division its written election to become a subject employer for not less than two calendar years shall, with the written approval of such election by the Commissioner, become subject hereto to the same extent as all other subject employers, as of the date stated in such approval, but not with respect to the period previous to such date. Such subject employer shall cease to be subject hereto as of

January 1 of any calendar year subsequent to such two calendar years, only if *on or before April 15* [prior to March 1] of such year, it has filed with the Division a written notice to that effect.

(b) Any employing unit for which services that do not constitute covered employment are performed, may file with the Division a written election that all such services performed by individuals in its employ in one or more distinct establishments or places of business shall be considered to constitute covered employment by a subject employer for all the purposes of this chapter for not less than two calendar years. Upon written approval of such election by the Commissioner, such services shall be considered to constitute covered employment from and after the date stated in such approval, but not with respect to the period previous to such date. Such services shall cease to be considered covered employment subject hereto as of January 1 of a calendar year subsequent to such two calendar years, only if *on or before April 15* [prior to March 1] of such year such employing unit has filed with the Division a written notice to that effect.

(4) An employing unit that becomes a subject employer under subsections (3) or (4) of KRS 341.070, shall become subject as of the date of acquisition.

(5) Notwithstanding the provisions of subsections (1), (2), and (3) of this section any subject employer whose entire reserve account has been transferred to a successor in interest as provided for in KRS 341.540 shall immediately cease to be a subject employer and shall thereafter become a subject employer only upon his future employment experience.

Section 3. Section 341.370 of the Kentucky Revised Statutes is amended to read as follows:

(1) According to the circumstances in each case, a worker shall be disqualified from receiving benefits or serving a waiting period:

(a) For not less than one nor more than sixteen weeks immediately following the commission of the disqualifying act, if, subsequent to his most recent work, he has failed without good cause either to apply for available, suitable work when so directed by the employment office or the Commissioner or to accept suitable work when offered him, or to return to his customary self-employment when offered him, or to return to his customary self-employment when so directed by the Commissioner; or

(b) For not less than six nor more than sixteen weeks immediately following the commission of the disqualifying act, if he has been discharged for misconduct connected with his most recent work, but legitimate activity in connection with labor organizations or failure to join a company union shall not be construed as misconduct.

(2) A worker shall be disqualified from receiving benefits or serving a waiting period for the duration of any period of unemployment with respect to which:

(a) He was discharged for dishonesty in connection with his most recent work;

(b) He voluntarily quit his most recent work to marry or for the purpose of attending school, or to become self-employed; or

(c) He has left his most recent suitable work voluntarily without good cause.

(3) A worker shall be disqualified from receiving benefits for any week with respect to which he knowingly made a false statement to establish his right to or the amount of his benefits; and, within the succeeding twenty-four months, for such additional weeks immediately following the date of *discovery* [such determination], not to exceed a total of fifty-two, as may be determined by the Commissioner.

(4) No worker shall be disqualified under paragraph (b) of subsection (1) or subsection (2) of this section unless the employer, within a reasonable time as prescribed by commission regulation, notifies the Division and the worker in writing of the alleged voluntary quitting or the discharge for misconduct; provided, however, that nothing in this subsection shall restrict the right of the Commissioner to disqualify a worker whose employer has refused or failed to notify the Division of the alleged voluntary quitting or discharge for misconduct if such alleged voluntary quitting or discharge for misconduct is known to the Commissioner prior to the time benefits are paid to such worker; provided further, that the exercise of such right by the Commsisioner, in the absence of timely notice from the employer, shall not relieve the employer's reserve account of benefit charges under the provisions of KRS 341.530 (3).

(5) As used in this section and in subsection (3) of KRS 341.530, "most recent" work shall be construed as that work which occurred after the first day of the worker's base period and which last preceded the week of unemployment with respect to which benefits are claimed; except that, if the work last preceding such week of unemployment was intermittent or temporary in nature, most recent work may be construed as that work last preceding such intermittent or temporary work.

Section 4. Section 341.530 of the Kentucky Revised Statutes is amended to read as follows:

(1) The Division shall maintain a reserve account for each subject employer, and shall, except as provided in KRS 341.590, credit to such account the total amount of all contributions paid by the em-

ployer on his own behalf. Nothing in this section or elsewhere in this chapter shall be construed to grant any employer or individual who is or was in his employ prior claims or rights to the amounts paid by him into the fund.

(2) Except as provided in subsection (3) of this section the benefits paid to an eligible worker for a week of unemployment shall be charged proportionately against the accounts of those of his subject employers from whom he has base-period wages. The proportion so wages of a worker from such employer by the total base-period wages wages of a worker from such employer by the tital base-period wages of such worker, adjusted to the nearest multiple of one percent. For the purpose of this subsection a fractional part of a cent shall be disregarded unless it amounts to one-half cent or more, in which case it shall be increased to one cent.

(3) Notwithstanding the provisions of subsection (2) of this section, benefits paid to an eligible worker and chargeable to an employer's reserve account under such subsection shall be charged against the pooled account if such worker was charged by such employer for misconduct connected with his most recent work for such employer, [or] voluntarily left his most recent work with such employer without good cause attributable to the employment, *or such employer has continuously employed the worker without significant interruption since the end of the worker's base period and in the week with respect to which benefits are paid, wages and employment are provided to the worker by such employer to the same extent as during the base period,* and the employer within a reasonable time, as prescribed by commission regulation, notifies the Division, in writing, of the alleged voluntary quitting, [or] discharge for misconduct *or continuing employment.*

(4) Each subject employer's reserve account shall, unless terminated or exhausted as of the computation date (as defined in subsection (4) of KRS 341.270), be charged with all benefits paid to eligible workers which are chargeable to such reserve account under subsection (2) of this section. A subject employer's reserve account shall be deemed to be terminated if he has ceased to be subject to this chapter, and his account has been closed and any balance remaining therein has been transferred to the fund's pooled account or to a successor's account as provided in KRS 341.540.

(5) Any subject employer may at any time make voluntary payments to the fund, additional to the contributions required under KRS 341.260 and 341.270, which shall be credited to his reserve account, according to the general rules established by the Commission.

Section 5. Section 341.540 of the Kentucky Revised Statutes is amended to read as follows:

(1) If a subject employer shall transfer or otherwise reorganize his entire organization, trade or business, the successor in interest is hereby required to assume the resources and liabilities of such employer's reserve account and to continue the payment of all contributions due under this chapter, except that the successor in interest shall not be required to assume the liability of any delinquent contributions of his predecessors unless the Division notifies him of such delinquency within six months after the Division has notice of the transfer of ownership.

(2) The liability for delinquent contributions imposed upon the successor in interest by subsection (1) of this section shall be secondary to the liability of his predecessor or predecessors and if the delinquency has been reduced to judgment the order of execution on such judgment shall be as follows:

(a) Against the assets, both real and personal, of the predecessor or predecessors;

(b) Against the assets, both real and personal, of the business transferred; and

(c) Against the assets, both real and personal, of the successor in interest.

(3) Notwithstanding the provisions of subsection (1), any employing unit which acquires a portion of the organization, trade or business from an employer for whom a reserve account has been maintained by the Division, and who is, or by reason of such acquisition becomes, a subject employer, shall assume the position of such employer with respect to the resources and liabilities of such reserve account in proportion to the extent of such acquisition as agreed upon by the parties in interest and approved by the Commission, and the taxable payrolls, benefit charges and the potential benefit charges shall likewise be assumed by the successors in interest in a like proportion.

(4) *(a)* The contribution rate of a successor employing unit, whether in whole or in part, which was a subject employer at the time of such succession, shall not be affected by the transfer *for the remainder of the rate year in which such succession occurred.*

(b) The contribution rate of a successor employing unit which was not a subject employer prior to such succession, shall, *for the period beginning with the date of such succession and ending on the last day of the rate year in which such succession occurred, be the same as that of its predecessor unless the successorship was in part only, in which event its contribution rate for such remainder of the rate year, shall be two and seven-tenths percent.*

(c) The contribution rate of a successor employing unit which was not a subject employer prior to such succession, which acquires

simultaneously the organization, trade or business of two or more employing units for whom reserve accounts have been maintained, shall be determined as of the most recent computation date, in accordance with KRS 341.270, on the basis of the combined accounts transferred.

The successor's rate so determined shall become effective as of the date of such succession and shall remain in effect for the remainder of the rate year in which such succession occurred.

HB 400, AN ACT relating to vocational training and amending KRS 339.240.

WHEREAS, many students are enrolled in trade schools which are teaching a quantity foods program; and

WHEREAS, the training of the students in the foods programs would be greatly enhanced if they could receive part of their training in the kitchens of hotels, restaurants and cafeterias of the community; and

WHEREAS, the experience which the students would receive by working in such establishments, would provide a practical element which the school may find difficult to emulate; and

WHEREAS, a graduate of such a program would be more valuable to the employer due to his practical experience;

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. No child under eighteen shall be employed or permitted to work in any hotel, theater, concert hall, place of amusement, or any other establishment where intoxicating liquors are sold, except that a person between the ages of sixteen and eighteen years, enrolled in an approved course in vocational education in a bona fide school, may be permitted to supplement the course of study by practical training in a cooperative training program between any hotel, restaurant or club and the school. The trainee upon the completion of the course of study may continue as a full-time trainee in the hotel, restaurant or club so long as the trainee is under the supervision of the coordinator of vocational training for the public school district in which the trainee resides. Any contract involving the service of the trainee shall be approved by the coordinator.

Section 2. KRS 339.240 is amended to read:

(1) A minor who has passed his sixteenth birthday but is under eighteen may be employed, permitted or suffered to work in, about or in connection with any gainful occupation, except as provided in subsections (2) and (3) of this section.

(2) A minor of such age may not be employed, permitted or suffered to work in, about or in connection with any of the occupations enumerated or described in paragraphs (d) [, (e)] and (f) of subsection (2) of KRS 339.230, except that such a minor who is employed under a written apprenticeship agreement that has been approved by the State Apprenticeship Council may perform work in, about or in connection with such enumerated or described occupations if the work is incidental to the apprentice training, is performed intermittently for short periods of time, and is under the direction and supervision of an instructor as a necessary part of the apprentice training.

(3) A female minor of such age may not be employed in the distribution or sale of newspapers, magazines or periodicals, or in the street occupations of peddling or bootblacking or in any other occupation pursued in any street or public place, nor as a messenger for any person, firm or corporation engaged primarily in the business of transmitting or delivering goods or messages.

HB 435, AN ACT relating to a city/county children's home.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 201.010 is amended to read:

As used in this chapter unless the context otherwise requires:

(1) "Home" means the institution to be established and maintained in any county having a city of the first class, in conformity with the provisions of this chapter.

(2) "Board" means the body created by KRS 201.020.

[(3) "Dependent", "neglected" and "delinquent children" have the same meaning as in KRS 199.010.]

Section 2. KRS 201.020 is amended to read:

(1) In each county containing a city of the first class there shall be a bipartisan board known as the "Board for (name of city) and (__________) County Children's Home."

(2) The board shall be composed of *14* [10] members, *at least* two of whom shall be women, appointed jointly by the Mayor of the City and the County Judge of the County. Each member shall be at least twenty-five years of age and a bona fide resident of the county. The members shall be appointed in equal proportion from the two political parties casting the highest and next highest number of votes at the last preceding general election in the county.

(3) *The members of the board shall be divided into four groups, of which two groups shall consist of three members each and two groups shall consist of four members each. Members shall serve for*

four years each, and the terms of the members of any one group shall expire at the end of a year which is different from the year in which the terms of the members of any other group expire. Members originally appointd during the year following the effective date hereof may be appointed for such terms as may be necessary to effectuate the rotation provided for in the preceding sentence.

[(3) Three members of the board shall serve for two years, three for three years, and four for four years each. Members appointed after the original appointments shall serve for four years each. The board shall be continuously divided between the two major political parties as provided in sub-section (2) of this section.]

(4) Vacancies in the board, whether occurring during the term or at the close of the term of a member, shall be filled in the manner provided in sub-section (2) of this section, within thirty days after the vacancy occurs, and if the mayor and the county judge fail to make the appointment within thirty days, the members of the board may make the appointment. Whenever any vacancy occurs, the board shall immediately certify the fact of the vacancy and the reason therefor to the county judge and the mayor. All members shall serve without compensation.

Section 3. KRS 201.030 is amended to read:

(1) Upon appointment of the members, the board shall organize and elect officers. At the time of organization and annually thereafter, the board shall elect a chairman from its members.

(2) The board may select a superintendent for the home, and may fix his compensation *in cash, or in cash and maintenance for himself and his immediate family.* [in addition to maintenance for himself and his immediately family] The superintendent shall [live at the home and] serve at the pleasure of the board.

(3) The board may authorize the employment of other officers and employees necessary to carry on the work of the board and the home, and shall fix their compensation at sums not exceeding the salary of the superintendent. The superintendent may employ and discharge the officers and employees of the institution, except parole officers.

Section 4. KRS 201.040 is amended to read:

(1) The board shall be a corporation with the usual corporate powers, and may do all things reasonable or necessary to effectively carry out the work and perform the duties contemplated in this chapter.

(2) The board may make all rules and regulations, not inconsistent with the law, necessary or proper for the effective management of the home, and of the property owned, held, or controlled

by the board, and for the *care,* maintenance, training and education, grouping [grading], discipline, discharge, *release,* and parole of the children received into the *Home's care* [home], *and for their placement and supervision in foster family or group homes, in adoptive homes, in homes of parents, relatives or friends, or in shelter, detention or day care;* and all the children received into the *Home's care* [home] shall be subject to such rules.

(3) *The board may delegate to the superintendent, and to such other officers or employees of the Home as may be designated by the board, the authority to carry out such functions of the board as described in KRS 201.040 (2), KRS 201.080, KRS 201.090, KRS 201.100, KRS 201.110 and KRS 201.120 as may be determined to be in the interest of the home and the children under the home's care.*

Section 5. KRS 201.080 is amended to read:

The board may [, in its discretion,] receive into and maintain in the *home's care* [home], any boys under 17 and girls under 18 years of age who are residents of the county and who are:

(1) [Dependent, neglected, or delinquent children] *Children* who are duly committed to the *home's care* [home]; and

(2) Such other children of the county as the board, *or the Superintendent or such other officers or employees as may be designated by the Superintendent, with the approval of the board,* may, in the absence of any judicial or official commitment, find [convenient, or] for the best interest of such children, to receive *them* into the *home's care* [home], *on the voluntary application of the parents jointly, or the parent having custody, or the nearest living blood relative, or a legally appointed guardian.*

Section 6. KRS 201.090 is amended to read:

The board *may* [shall] file a petition and proceed as provided in KRS 201.100, whenever it has probable cause to believe that any boy under seventeen or girl under eighteen years of age;

(1) Is abandoned, neglected or cruelly treated by its parents;

(2) Is habitually sent out or permitted to beg in public places or lives by begging;

(3) Associates with persons who tend to corrupt and contaminate him or her;

(4) Is known to be vicious or incorrigible; or

(5) Has parents who are in constant habits of drunkenness or gross debauchery or who are living together in unlawful cohabitation.

Section 7. KRS 201.100 is amended to read:

(1) When a child comes under any of the provisions of KRS 201.090, the board *may* [shall] file a petition in the county court setting forth the facts in regard to the child. The court shall thereupon issue a writ for the custody of the child, and the writ shall be served upon the parents or the person having actual custody or control of the child, or if the child is under no actual parental custody or control, then upon the child itself. If the writ is served upon the child, the board shall place the child in the temporary custody of the home, or of some private person *or public agency* until the final order of the court. Notice of the time of the hearing shall be served on the parents or the person having actual custody or control of the child, and such person shall have the right to call witnesses and be heard as to his rights, fitness and ability to care for and educate the child.

(2) If the facts set forth in the petition are found to be true and any of the conditions set forth in KRS 201.090 exist, the court shall order that the child be committed to the custody of the board. If the parents are able to maintain and support the child, the court shall require them to pay board, and may enforce such payment by attachment or other proceedings as in cases of contempt.

(3) *An appeal may be taken from any orders, judgments or commitments made under the provisions of this section according to the procedures established in KRS 208.380 for appeals from the juvenile session of county court.*

Section 8. KRS 201.110 is amended to read:

(1) All children received into the *home's care* [home] by commitment of any court or officer having jurisdiction shall remain *under the home's care* [in the institution] for the period of their commitment, not to exceed their minority, unless sooner paroled or discharged.

(2) The board may discharge any child received *under KRS 201.080 (1)* at any time it deems it for the best interest of the child or the other children *under the home's care* [in the home], or for the best interests of the home. The discharge may be absolute, conditional, temporary or on parole, in the discretion of the board.

(3) *The board shall discharge any child accepted for care under KRS 201.080 (2) on written request of the parent, or other party as specified in said section, making the application for care, within five calendar days, unless during said period the board shall have filed a petition for commitment under KRS 201.100 or KRS 208 and such commitment, or a temporary order of custody under KRS 208.020 (4), shall have been ordered by the court.*

(4) *The board may discharge any child accepted for care under KRS 201.080 (2) at any time it deems it for the best interest of the child or the other children under the home's care or for the best interests of the home.*

Section 9. KRS 201.120 is amended to read:

(1) The board *may* [shall] provide for [and maintain] such schools and forms of instruction in branches of useful practical knowledge as may be proper or necessary for the education of the *children in the home's care* [inmates of the home], and for the acquirement and practice of useful labor or trades, as may be suitable to the age and capacity of the children. [The board shall cause the children to be employed in such instructional pursuits in the home and on the grounds.]

(2) The board may, in its discretion, *place* [bind out] any of the children as apprentices to learn proper trades and employments, that the board believes will be most conducive to the reformation, amendment, benefit or advantage of the children.

Section 10. KRS 201.130 is amended to read:

The board shall exercise care to protect children with less severe behavioral problems from children who are seriously patterned delinquents by means of the most practical use of the facilities and programs available.

[(1) The board shall cause all inmates of the home to be carefully and appropriately classified, segregated, maintained, and trained. The classification and segregation shall be made according to race, sex, and conditions or facts as to delinquency or conviction for the commission of offenses, or bad conduct. The board may make such further classification or segregation of such children as the judgment and experience of the board proves to be wise.]

[(2) The board shall exercise special care to prevent association or contact between children whose habits and conduct are good, or who have never been delinquent or incorrigible or convicted of offenses, and those whose conduct has been or is bad, or who are delinquent or incorrigible, or who have been convicted of offenses.]

HB 253, AN ACT relating to education.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 158.060 is amended to read:

Twenty school days, or days in which teachers are actually employed in the schoolroom, shall constitute a school month in the common schools. [The] Legal holidays designated by the State Board of Education *pursuant to KRS 158.070* to be observed *and not to exceed five days which are declared calamity days pursuant to KRS 158.070 subsection (2)* shall be counted as school days *for the purpose of determining the number of days in which teachers are employed and in calculating the average daily attendance under the foundation* *program as defined in KRS 157.310.* No teacher shall teach on Saturdays except in cases of emergency and then only upon authorization of the State Board of Education. Six hours of actual school work shall constitute a school day. The daily session, including recesses and intermissions, shall not exceed nine hours. A pupil who is absent, excused or dismissed from any regularly scheduled class to attend not more than four field trips in a school term may be considered in attendance on those days, if the field trip is part of a regularly scheduled class; provided, however, that upon application of any district superintendent, the Superintendent of Public Instruction or the State Board of Education may, if sufficient cause be shown, grant authority to use an additional day or days for special field trips or exceptional events.

Section 2. KRS 158.070 is amended to read:

(1) The minimum school term shall be one hundred eighty-five days. The Superintendent of Public Instruction, upon the approval of the State Board of Education, may extend the minimum term to ten months when the resources of the school fund or contributions by local taxation justify the extension, but no extension shall be made if it reduces the salaries of the teachers below the minimum fixed by law. A board of education may extend its terms beyond the minimum term set by the Superintendent of Public Instruction.

(2) The board of education of any school district may use no more than four days of the minimum school term for holidays, three days for in-service training and professional work, [and] three days for attendance at state and district meetings of professional education[al] associations, *and not more than five days when the board or in cases of emergency, the superintendent, principal or other head teacher, deems it necessary to close the schools because of disease, epidemic, temporary circumstances rendering the school building unfit for school use, or other public calamity, when so designated by the district board of education and approved by the State Board of Education upon recommendation of the Superintendent of Public Instruction.* [The State Board of Education, upon recommendation of the Superintendent of Public Instruction, shall adopt regulations governing the use of school days.]

Section 3. Whereas, severe weather during this winter has created hazardous conditions necessitating the closing of schools an unanticipated number of times, an emergency is declared to exist, and this Act shall become effective upon its passage and approval by the Governor.

HB 199, AN ACT relating to the Division of Vital Statistics.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

KRS 213.190 (1) is amended to read as follows:

The Division of Vital Statistics shall, upon request, furnish any applicant a certified copy of the record of any birth, death, or other record registered with such division as provided by law when the division is satisfied that the applicant has a direct, tangible and legitimate interest in the information or record requested. The applicant shall pay a [fee of one dollar] *reasonable fee set by regulation promulgated by the State Board of Health which shall not exceed two dollars* for a copy of a birth, death, or other certificate or search of the files if no copy is found. Any such certified copy shall be prima facie evidence of the facts therein stated.

HB 404, AN ACT relating to Boxing, Sparring and Wrestling.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. As used in this chapter unless the context clearly indicates otherwise the following definitions shall apply:

Advertise includes the use of handbills, placards, posters, billboards, pictures printed or written material or newspapers or other publications, or radio, television and other communication media.

Exhibition, in addition to its ordinary meaning, shall include a public show or showing through the medium of closed circuit television to which an admission ticket is required, or other charge is made.

Person includes an individual, partnership, corporation, association or club.

Professional is a boxer or wrestler who competes for a money prize, or other pecuniary gain.

Professional match is a boxing, sparring, or wrestling match or exhibition in which a professional is a contestant.

Section 2. There is hereby established the Kentucky Athletic Commission which shall consist of five members appointed by the Governor, each member to serve, at the will of the Governor, during the Governor's encumbancy, and until his successor has been appointed. One member shall be designated as chairman and one member as vice-chairman, who shall have authority to act as chairman in the event of the chairman's absence or inability to act. The compensation of the chairman, vice-chairman and other members of the commission shall be fixed in the same manner as is provided by KRS 64.640 (2). The chairman, vice-chairman, other members of the commission, and those persons referred to in Section 3, shall be paid their actual and necessary traveling and other expenses incurred by them in the performance of their official duties. The commission may adopt a seal for the commission and make such rules for the administration of their office, not inconsistent herewith, as they may deem expedient; and they may amend or abrogate such rules. Two members of the commission shall constitute a quorum to do business; and, except as provided in Section 23, the concurrence of at least two members shall be necessary to render a determination by the commission.

Section 3. The commission may appoint, and at pleasure remove, a secretary to the commission, whose duty it shall be to keep a full and true record of all its proceedings, preserve at its general office all its books, documents and papers, as may be required of him by the commission and perform such other duties as the commission may prescribe. The secretary of the commission shall receive an annual salary to be fixed by the commission within budgetary appropriations. The commission may employ and remove at will such other officers, employees and inspectors as may be necessary to administer the provisions of this act and fix their salaries or other compensation within the amount appropriated therefor by the General Assembly.

Section 4. The chairman shall have authority to issue subpoenaes for the attendance of witnesses and the production of documents before the commission, to the same effect as if they were issued in an action in the circuit court, and it may, by any member, administer oaths and affirmations and it may examine witnesses in all matters pertaining to the administration of the affairs of the commission; and disobedience of such subpoenaes and false swearing before such commission shall be attended with the same consequences and be subject to the same penalties as if such disobedience or false swearing occurred in an action in the circuit court.

Section 5. The commission shall have and hereby is vested with the sole direction, management, control and jurisdiction over all boxing, sparring and wrestling matches or exhibitions, professional as well as amateur, to be conducted, held or given within the Commonwealth. The commission is hereby given the sole control, authority and jurisdiction over all licenses to hold boxing, sparring or wrestling matches or exhibitions for prizes or purses or where an admission fee is received, and over all licenses to any and all persons who participate in such boxing, sparring or wrestling matches or exhibitions.

Section 6. The commission is authorized to adopt and promulgate, amend or abrogate any and all rules and regulations considered by it necessary or expedient for the performance of its functions provided in this chapter. In recognition of the fact that more supervision is desirable in this area, it is the intention of the General Assembly to confer upon the commission wider discretion than that ordinarily possessed by administrative agencies.

Section 7. (1) No person shall conduct, or advertise a professional match without an annual license from the commission to conduct such matches within a specified area and a permit to hold the specific match and the accompanying program of events at a specified location on a specific date.

(2) If in the judgment of the commission the financial responsibility, experience, character and general fitness of an applicant, including in the case of corporations its officers and stockholders, are such that the participation of such applicant will be consistent with the public interest, convenience or necessity and with the best interests of boxing or wrestling generally and in conformity with the purposes of this act, the commission may grant an annual license in accordance with the provisions herein contained.

(3) The annual license fee shall be three hundred dollars where the professional matches are to be conducted within fifteen miles of the city limits of a city or cities containing an aggregate population of two hundred thousand or more and one hundred dollars elsewhere. Each such license shall expire twelve months after the date of issue.

(4) No person may be issued an annual license unless he has been a resident of Kentucky for sixty days prior to the issuance thereof, or in the case of a corporation, unless it has qualified to do business in the Commonwealth.

Section 8. No person shall participate in a professional match in any of the hereinbelow enumerated capacities without holding a license issued by the commission.

The fees for such licenses shall be:

Person	Fee
Announcer	$5.00
Auditor	1.00
Contestant	5.00
Doorman	1.00
Inspector	5.00
Judge (Amateur)	1.00
Judge (Professional)	5.00
Manager	5.00
Physician	5.00
Referee	25.00
Second	2.00
Ticket Selling Agent	1.00
Timekeeper	5.00
Trainer	5.00

Licenses issued to Referees and Physicians shall expire twelve months from date of issue and those issued to other officials on December 31 of the year in which they are issued. The commission may fix a schedule establishing the compensation to be paid to officials for participating in a professional match. Such compensation shall be paid by the person conducting the match, and by no other person.

Section 9. (1) Every licensee shall be subject to such regulations as the commission prescribes.

(2) Every application for a license shall be in writing, shall be addressed to the commission and shall be verified by the applicant, if an individual, or by some officer, if a corporation or association, on whose behalf the application is made. It shall contain a recital of such facts as show the applicant entitled to receive a license and such other facts and recitals as the commission requires to be shown.

Section 10. Unless a license or permit has been granted by the commission, as provided in this chapter, no person shall:

(1) Engage in a professional match, or a fight for a bet or stakes;

(2) Act as a second in a professional match, bear a challenge or the oral or written acceptance of a challenge for such match, make up or aid in making up the stakes for the match or assist in any way in the bringing on or conducting of the match;

(3) Train or prepare, or assist another in training or preparing for such a match in this state;

(4) Voluntarliy permit the use of any land owned, controlled or occupied by him for such a match.

Section 11. (1) The commission may suspend or revoke or refuse to renew or issue a license for the reason therein stated, that the licensee or applicant has, in the judgment of the commission, been guilty of an act detrimental to the interests of boxing or wrestling generally or to the public interest, convenience or necessity, including, but not by way of limitation, the violation of any of the provisions of this chapter or any rule or regulation of the commission.

(2) Without limiting the discretion of the commission as provided in this chapter, the commission may suspend or revoke a license or refuse to renew or issue a license, if it shall find that the applicant, or any person who is a partner, agent, employee, stockholder or associate of the applicant, has been convicted of a crime in any jurisdiction, or is associating or consorting with any person who has or persons who have been convicted of a crime or crimes in any jurisdiction or jurisdictions, or is consorting or associating with or has consorted or associated with bookmakers, gamblers or persons of similar pursuits,

or has himself engaged in similar pursuits, or is financially irresponsible, or has been guilty of or attempted any fraud or misrepresentation in connection with boxing or wrestling, or has violated or attempted to violate any law with respect to boxing or wrestling in any jurisdiction or any rule, regulation or order of the commission, or shall have violated any rule of boxing or wrestling which shall have been approved or adopted by the commission, or has been guilty of or engaged in similar, related or like practices.

(3) Any licensee whose license has been suspended, may with the approval of the commission, elect to pay the commission a penalty which the commission may fx at an amount not n excess of five hundred dollars. Such a payment, when received by the commission, shall have the effect of removing the suspension.

Section 12. For any act which would justify the suspension of a license the commission may declare the person committing such act ineligible to receive a license for a period not to exceed one year.

Section 13. (1) The commission may issue a permit, without the payment of any taxes or license, to any accredited college, university, school, Young Men's Christian Association, Young Men's Hebrew Association or organization which in the judgment of the commission is of like character, to hold boxing or wrestling matches or exhibitions upon a sufficient showing that the matches or exhibitions are to be held by and between bona fide students or members of such accredited colleges, universities, schools, Young Men's Christian Associations, Young Men's Hebrew Associations, or organizations which in the judgment of the commission are of like character. The commission may also issue a permit, without payment of taxes or license, to any organization to hold a boxing or wrestling match or exhibition under the sanction of the Kentucky Association of the Amateur Athletic Union of the United States or the American Olympic Association. No boxer or wrestler who has received any fee, purse or other compensation shall be eligible ot appear in any match or exhibition sponsored by any such institution, association or organization.

(2) Any regularly organized post of the American Legion, and any organization operating solely for charitable purposes from which no individual, partnership or corporation derives any monetary gain, may hold boxing or wrestling matches or exhibitions without the payment of the licensee fee prescribed by Section 7. Any post of the American Legion or other organization holding matches or exhibitions under this section shall be subject to the provisions of Sections 14 and 15.

(3) No match permitted by (1) and (2) may be conducted without a permit to hold the specfiic match and accompanying program of events at a specified location on a specified date.

Section 14. Before a permit is granted to any person to hold a professional boxing or wrestling match or exhibition, the applicant shall file with the commission a bond in the sum of two thousand dollars, to be approved as to form and the sufficiency of the sureties by the commission, conditioned for the payment of the tax imposed by Section 15. Upon the approval of the bond, the commission shall issue to the applicant a certificate of filing and approval, which shall be filed by the applicant with the commission, with the application for the permit. No such permit shall be issued until such certificate has been filed.

Section 15. (1) Every person conducting a professional boxing or wrestling match or exhibition, other than those holding a permit under subsection (1) of Section 13, shall, within twenty-four hours after the termination of every match or exhibition, furnish to the commission a written report, verified by the person, if an individual, or by some officer, if a corporation or association, showing the number of tickets sold for the match or exhibition, the amount of the gross receipts from such sale and such other matters as the commission prescribes. He shall also, within the same period, pay to the commission a tax of five percent of the gross receipts from the sale of all tickets to the match or exhibition.

(2) He shall also pay to the commission, as soon as possible, a tax of five percent of the gross receipts from all other sources, direct or indirect, including but not by way of limitation the gross receipts from the sale, lease or other exploitation of broadcasting, television and motion picture rights of such contests. He shall also, prior to any such professional boxing or wrestling match or exhibition, file with the commission a copy of each contract involving compensation of the contestants and a copy of each contract under which he will receive, directly or indirectly, compensation from any source whatsoever. Any person making payments under any such contract shall promptly report to the commission the amount of any such payments.

(3) All taxes require to be paid by this section shall be computed on the gross receipts without any deduction whatsoever for commissions, brokerage, distribution fees, advertising or other expenses, charges or recoupments in respect thereto, exclusive of any federal excise taxes.

(4) Any person supplying radio, television or cable facilities for the broadcast or televising of any professional match shall, prior to the contest, notify the commission.

Section 16. Whenever a person fails to make the report within the time prescribed by Section 15, or whenever the report is unsatisfactory to the commission, it may examine or cause to be examined the books and records of that person to ascertain and fix the total amount of its gross receipts for any match or exhibition and the amount of the tax due.

Section 17. No boxing or wrestling match or exhibition shall be of more than twelve rounds in length except championship matches, which shall be limited in the discretion of the commission.

Section 18. Contestants in a professional or amateur boxing or wrestling match or exhibition shall be examined by a reputable licensed physician appointed by the commission, and shall be in excellent health before participating in such a boxing or wrestling match or exhibition.

Section 19. Decisions may be rendered in any boxing or wrestling match or exhibition, permitted by this chapter, in the discretion of the commission and by such method as it by rule prescribes.

Section 20. All structures or parts of structures used, or intended to be used, for boxing and wrestling matches and exhibitions, shall be properly ventilated and provided with fire exits and fire escapes, if need be, and shall conform to the laws, ordinances and regulations pertaining to buildings in the city where situated.

Section 21. No contestant under eighteen years of age shall be knowingly issued a license or allowed to participate in any professional boxing or wrestling match or exhibition, nor shall any person obtain, or cause to be obtained, a license to any person under ieghteen years of age, to participate in any professional boxing or wrestling match or exhibition.

Section 22. All peace officers, on being informed or having reason to believe that a professional match that is not authorized under this chapter is about to take place, or that there is training or preparation for such a contest, in any place within their jurisdiction, shall suppress and prevent it.

For this purpose any peace officer may enter any place where such contest is being held or will be held or where there is training or preparation for such a contest and may arrest without a warrant any person who does not submit satisfactory proof that he has whatever license or permit is required by this chapter.

Section 23. (1) The chairman shall be the chief executive officer of the commission and is authorized to take any action or exercise any power given by this chapter to the commission, except the adoption of rules and regulations, and except as otherwise restricted by this section provided, however, any person aggrieved by any act or decision of the chairman may appeal to the full commission by filing written notice with the secretary of the commission within ten days of the act or decision being appealed and the grounds for appeal, and the address of the appellant. Unless waived by the commission the notice must be accompanied by a list of the names and addresses of any persons the appellant wishes to have subpoenaed by the commission for the hearing and a list of any documents he desires to have produced.

(2) Upon receipt of the notice of appeal a hearing shall be set for a date not less than ten nor more than thirty days from the filing of the notice, and written notice of the time and place of the hearing shall be mailed to the appellant not less than five days in advance of such hearing. Upon the mutual agreement of the commission and appellant an earlier or later date may be fixed, in which event no notice to appellant shall be required.

All hearings shall be held at the office of the commission unless in the judgment of the commission it will be more expeditious to hold the hearing elsewhere within the Commonwealth.

(3) The full commission may approve, set aside or modify the action or decision of the chairman. At least three commissioners shall be required to conduct a hearing and the concurrence of a majority of those present at the hearing shall be necessary to render a decision. The chairman may participate at the hearing, including, if he so elects, participation in the deliberations of the commission and the determination of its decision. The commission shall furnish appellant with a statement of its findings of fact and the reasons for the decision reached. The findings of fact made by the commission shall, unless clearly arbitrary or capricious, be conclusive but any party aggrieved shall have the right of appeal as hereinbelow provided.

(4) Any party aggrieved by the decision of the commission may appeal to the Franklin Circuit Court provided notice of appeal is filed with the commission within ten days from the date of the decision and provided that, at the time of filing such notice the appellant shall deposit with the commission a sum sufficient to pay for the cost of taking and transcribing the proceedings before the commission, to be retained by the commission unless its decision is ultimately reversed, and provided that during such ten day period the appellant shall post a bond with the clerk of the Franklin Circuit Court to secure the costs of the action in such sum as may be approved by the clerk, with good and solvent surety. Thereafter, the commission shall forthwith transmit the original record of all of the proceedings before the commission. Upon receipt of such record the clerk shall docket the appeal. No formal pleadings shall be required in such appeals but the case shall be set down by the court for as early a date as possible for such a hearing, and after such hearing the court shall

enter a judgment sustaining or setting aside the decision of the commission. Either party may appeal to the Court of Appeals from the judgment of the circuit court in accordance with the Rules of Civil Procedure.

Section 24. No order or decision of the chairman shall be suspended pending a decision on an appeal to the full commission, and no appeal from a decision of the full commission shall suspend the effect of the decision, and no appeal from the judgment of the Franklin Circuit Court shall suspend the operation of said judgment.

Section 25. (1) Any person who violates Section 7 (1) or Section 10 (1) shall be fined not less than one hundred dollars nor more than one thousand dollars or imprisoned in the county jail for not more than six months, or both.

(2) Any person who violates Section 10 (2), 10 (3) or 10 (4) shall be fined not less than one hundred dollars nor more than five hundred dollars or imprisoned in the county jail for not more than ninety days, or both.

(3) Any person who violates Section 8 where such violation does not constitute a violation of Section 10, shall be fined not less than twenty-five nor more than five hundred dollars.

(4) Any peace officer who willfully fails to execute the duties required of him by Section 22 shall be fined not less than fifty dollars nor more than five hundred dollars.

(5) Any person who violates any of the provisions of this chapter for which no specific penalty is provided shall be fined not less than ten nor more than one hundred dollars.

(6) Any person who fails to pay the taxes required by Section 15 or ascertained to be due under Section 16 together with the expenses incurred in the examination, within twenty days after notice to the delinquent person of the amount fixed by the commission shall ipso facto forfeit his license. In addition he shall forfeit and pay into the state treasury an additional amount equal to the taxes found to be due.

(7) Any person who violates the provisions of Section 21 shall be fined not less than one hundred dollars nor more than five hundred dollars and no person who has been guilty of such an offense shall be allowed to participate in any boxing or wrestling match or exhibition for one year after being found guilty of the offense.

(8) Any person failing to make the report required by Section 15 (2) or Section 15 (4) shall be liable for any tax the Commonwealth may lose as a result of his failure to make the required report.

Section 26. KRS Chapter 229 is repealed but all rules and regulations issued pursuant thereto are continued in effect until modified or abrogated by the commission. Sections 1 and 2 of Chapter 126 of the 1962 Acts of the General Assembly (KRS138.553 and KRS 138.556) are hereby repealed.

HB 405, AN ACT appropriating money out of the General Expenditure Fund in the State Treasury for the purpose of paying certain claims which have been duly audited and approved according to law but which have not been paid because of the lapsing or insufficiency of former appropriations against which said claims were chargeable.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. There is appropriated out of the General Expenditure Fund in the State Treasury for the purpose of compensating persons and companies herein named for claims which have been duly audited and approved according to law but which have not been paid because of lapsing of former appropriations against which said claims were chargeable, the sum hereinafter specified:

Stevens Sign Company Hazard, Kentucky	$ 21.50
Dept. of Revenue-Payroll State Share of Retirement County Tax Commissioners	$4,244.21
Dept. of Revenue-Payroll State Share of Retirement M. J. McAnley account	$ 4.09
Sinclair Refining Company 227 W. Main Street Louisville 2, Kentucky	$ 235.90
Election Expenses Beula H. Cornett, Treasurer Treasurer Clay County Manchester, Kentucky	$1,800.00
Vincent and Vincent Blackburn and Blackburn Stoll, Keenon and Park Williamstown, Kentucky	$1,000.00
Texaco, Inc. 3521 E. Michigan Street Indianapolis, Indiana	$ 9.70
Delaware Powder Company Hazard, Kentucky	$ 544.95
Lee Crutchfield, Inc. Spring and Maple Streets Hazard, Kentucky	$ 17.88

Louisville Grocery Company 231 East Main Street Louisville, Kentucky	$ 511.50
Armco Steel Corporation 654 Starks Building Louisville 2, Kentucky	$ 71.40
American Oil Company Indianapolis 6, Indiana	$ 70.87
Goodwin Brothers, Inc., 450 East Main Street, Lexington, Kentucky	$ 36.55
Donnellon McCarthy, Inc., 3033 Veronon Place Cincinnati 19, Ohio	$ 252.31
Cloud Concrete Products, Inc., 1413 Versailles Road Lexington, Kentucky	$ 98.00
Henry M. Stevens Roofing Co., 235 Burke Road Lexington, Kentucky	$6,833.52
Master Commissioners Social Security Tax	$ 17.27
Circuit Court Clerks Social Security Tax	$ 20.66
Arson Moore, Judge Bullitt County Shepherdsville, Kentucky	$ 278.00
Charles E. Combs Perry County Hazard, Kentucky	$ 120.55
Department of Parks Employer's Retirement	$ 23.66
J. B. Lippincott Company East Washington Square Philadelphia 5, Pennsylvania	$ 88.30
McKesson & Robbins, Inc., 4007 Crittenden Drive Louisville, Kentucky	$ 140.60
Mill & Industrial Supply, Inc., 1012 East Main Street Louisville, Kentucky	$1,511.31

Section 2. The persons and companies named above having in good faith furnished the services, supplies, and materials enumerated in Section 1 and the Commonwealth having received the benefits of same an emergency is declared to exist and this Act shall take effect upon its passage and approval by the Governor.

HB 455, AN ACT relating to motor vehicle equipment.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. The Vehicle Equipment Safety Compact is hereby enacted into law and entered into with all other jurisdictions legally joining therein in the form substantially as follows:

VEHICLE EQUIPMENT SAFETY COMPACT

ARTICLE I

Findings and Purposes

(a) The party states find that:

(1) Accidents and deaths on their streets and highways present a very serious human and economic problem with a major deleterious effect on the public welfare.

(2) There is a vital need for the development of greater interjurisdictional cooperation to achieve the necessary uniformity in the laws, rules, regulations and codes relating to vehicle equipment, and to accomplish this by such means as will minimize the time between the development of demonstrably and scientifically sound safety features and their incorporation into vehicles.

(b) The purposes of this compact are to:

(1) Promote uniformity in regulation of and standards for equipment.

(2) Secure uniformity of law and administrative practice in vehicular regulations and related safety standards to permit incorporation of desirable equipment changes in vehicles in the interest of greater traffic safety.

(3) To provide means for the encouragement and utilization of research which will facilitate the achievement of the foregoing purposes, with due regard for the findings set forth in subdivision (a) of this Article.

(c) It is the intent of this compact to emphasize performance requirements and not to determine the specific detail of engineering in the manufacture of vehicles or equipment except to the extent necessary for the meeting of such performance requirements.

ARTICLE II

Definitions

As used in this compact:

(a) "Vehicle" means every device in, upon or by which any person or property is or may be transported or drawn upon a highway, excepting devices moved by human power or used exclusively upon stationary rails or tracks.

(b) "State" means a state, territory or possession of the United States, the District of Columbia, or the Commonwealth of Puerto Rico.

(c) "Equipment" means any part of a vehicle or any accessory for use thereon which affects the safety of operation of such vehicle or the safety of the occupants.

ARTICLE III

The Commission

(a) There is hereby created an agency of the party states to be known as the "Vehicle Equipment Safety Commission" hereinafter called the Commission. The Commission shall be composed of one commissioner from each party state who shall be appointed, serve and be subject to removal in accordance with the laws of the state which he represents. If authorized by the laws of his party state, a commissioner may provide for the discharge of his duties and the performance of his functions on the Commission, either for the duration of his membership or for any lesser period of time, by an alternate. No such alternate shall be entitled to serve unless notification of his identity and appointment shall have been given to the Commission in such form as the Commission may require. Each commissioner, and each alternate, when serving in the place and stead of a commissioner, shall be entitled to be reimbursed by the Commission for expenses actually incurred in attending Commission meetings or while engaged in the business of the Commission.

(b) The commissioners shall be entitled to one vote each on the Commission. No action of the Commission shall be binding unless taken at a meeting at which a majority of the total number of votes on the Commission are cast in favor thereof. Action of the Commission shall be only at a meeting at which a majority of the commissioners, or their alternates, are present.

(c) The Commission shall have a seal.

(d) The Commission shall elect annually, from among its members, a chairman, a vice chairman and a treasurer. The Commission may appoint an Executive Director and fix his duties and compensation. Such Executive Director shall serve at the pleasure of the Commission, and together with the Treasurer shall be bonded in such amount as the Commission shall determine. The Executive Director also shall serve as secretary. If there be no Executive Director, the Commission shall elect a Secretary in addition to the other officers provided by this subdivision.

(e) Irrespective of the civil service, personnel or other merit system laws of any of the party states, the Executive Director with the approval of the Commission, or the Commission if there be no Executive Director, shall appoint, remove or discharge such personnel as may be necessary for the performance of the Commission's functions, and shall fix the duties and compensation of such personnel.

(f) The Commission may establish and maintain independently or in conjunction with any one or more of the party states, a suitable retirement system for its full time employees. Employees of the Commission shall be eligible for social security coverage in respect of old age and survivor's insurance provided that the Commission takes such steps as may be necessary pursuant to the laws of the United States, to participate in such program of insurance as a governmental agency or unit. The Commission may establish and maintain or participate in such additional programs of employe benefits as may be appropriate.

(g) The Commission may borrow, accept or contract for the services of personnel from any party state, the United States, or any subdivision or agency of the aforementioned governments, or from any agency of two or more of the party states or their subdivisions.

(h) The Commission may accept for any of its purposes and functions under this compact any and all donations, and grants of money, equipment, supplies, materials, and services, conditional or otherwise, from any state, the United States, or any other governmental agency and may receive, utilize and dispose of the same.

(i) The Commission may establish and maintain such facilities as may be necessary for the transacting of its business. The Commission may acquire, hold, and convey real and personal property and any interest therein.

(j) The Commission shall adopt bylaws for the conduct of its business and shall have the power to amend and rescind these bylaws. The Commission shall publish its bylaws in convenient form and shall file a copy thereof and a copy of any amendment thereto, with the appropriate agency or officer in each of the party states. The bylaws shall provide for appropriate notice to the commissioners of all Commission meetings and hearings and the business to be transacted at such meetings or hearings. Such notice shall also be given to such agencies or officers of each party state as the laws of such party state may provide.

(k) The Commission annually shall make to the governor and legislature of each party state a report covering the activities of the Commission for the preceding year, and embodying such recommendations as may have been issued by the Commission. The Commission may make such additional reports as it may deem desirable.

ARTICLE IV
Research and Testing

The Commission shall have power to:

(a) Collect, correlate, analyze and evaluate information resulting or derivable from research and testing activities in equipment and related fields.

(b) Recommend and encourage the undertaking of research and testing in any aspect of equipment or related matters when, in its judgment, appropriate or sufficient research or testing has not been undertaken.

(c) Contract for such equipment research and testing as one or more governmental agencies may agree to have contracted for by the Commission, provided that such governmental agency or agencies shall make available the funds necessary for such research and testing.

(d) Recommend to the party states changes in law or policy with emphasis on uniformity of laws and administrative rules, regulations or codes which would promote effective governmental action or coordination in the prevention of equipment-related highway accidents or the mitigation of equipment-related highway safety problems.

ARTICLE V
Vehicular Equipment

(a) In the interest of vehicular and public safety, the Commission may study the need for or desirability of the establishment of or changes in performance requirements or restrictions for any item of equipment. As a result of such study, the Commission may publish a report relating to any item or items of equipment, and the issuance of such a report shall be a condition precedent to any proceedings or other action provided or authorized by this Article. No less than sixty days after the publication of a report containing the results of such study, the Commission upon due notice shall hold a hearing or hearings at such place or places as it may determine.

(b) Following the hearing or hearings provided for in subdivision (a) of this Article, and with due regard for standards recommended by appropriate professional and technical associations and agencies, the Commission may issue rules, regulations or codes embodying performance requirements or restrictions for any item or items of equipment covered in the report, which in the opinion of the Commssion will be fair and equitable and effectuate the purposes of this contract.

(c) Each party state obligates itself to give due consideration to any and all rules, regulations and codes issued by the Commission and hereby declares its policy and intent to be the promotion of uniformity in the laws of the several party states relating to equipment.

(d) The Commission shall send prompt notice of its action in issuing any rule, regulation or code pursuant to this Article to the appropriate motor vehicle agency of each party state and such notice shall contain the complete text of the rule, regulation or code.

(e) If the constitution of a party state requires, or if its statutes provide, the approval of the legislature by appropriate resolution or act may be made a condition precedent to the taking effect in such party state of any rule, regulation or code. In such event, the commissioner of such party state shall submit any Commission rule, regulation or code to the legislature as promptly as may be in lieu of administrative acceptance or rejection thereof by the party state.

(f) Except as otherwise specifically provided in or pursuant to subdivisions (e) and (g) of this Article, the appropriate motor vehicle agency of a party state shall in accordance with its constitution or procedural laws adopt the rule, regulation or code within six months of the sending of the notice, and, upon such adoption, the rule, regulation or code shall have the force and effect of law therein.

(g) The appropriate motor vehicle agency of a party state may decline to adopt a rule, regulation or code issued by the Commission pursuant to this Article if such agency specifically finds, after public hearing on due notice, that a variation from the Commission's rule, regulation or code is necessary to the public safety, and incorporates in such finding the reasons upon which it is based. Any such finding shall be subject to review by such procedure for review of administrative determinations as may be applicable pursuant to the laws of the party state. Upon request, the Commission shall be furnished with a copy of the transcript of any hearings held pursuant to this subdivision.

ARTICLE VI

Finance

(a) The Commission shall submit to the executive head or designated officer or officers of each party state a budget of its estimated expenditures for such period as may be required by the laws of that party state for presentation to the legislature thereof.

(b) Each of the Commission's budgets of estimated expenditures shall contain specific recommendations of the amount or amounts to be appropriated by each of the party states. The total amount of appropriations under any such budget shall be apportioned among the party states as follows: one-third in equal shares; and the remainder in proportion to the number of motor vehicles registered in each party state. In determining the number of such registrations, the Commission may employ such source or sources of information as, in its judgment present the most equitable and accurate comparisons among the party states. Each of the Commission's budgets of estimated expenditures and requests for appropriations shall indicate the source or sources used in obtaining information concerning vehicular registrations.

(c) The Commission shall not pledge the credit of any party state. The Commission may meet any of its obligations in whole or in part with funds available to it under Article III (h) of this compact, provided that the Commission takes specific action setting aside such funds prior to incurring any obligation to be met in whole or in part in such manner. Except where the Commission makes use of funds available to it under Article III (h) hereof, the Commission shall not incur any obligation prior to the allotment of funds by the party states adequate to meet the same.

(d) The Commission shall keep accurate accounts of all receipts and disbursements. The receipts and disbursements of the Commission shall be subject to the audit and accounting procedures established under its rules. However, all receipts and disbursements of funds handled by the Commission shall be audited yearly by a qualified public accountant and the report of the audit shall be included in and become part of the annual reports of the Commission.

(e) The accounts of the Commission shall be open at any reasonable time for inspection by duly constituted officers of the party states and by any persons authorized by the Commission.

(f) Nothing contained herein shall be construed to prevent Commission compliance with laws relating to audit or inspection of accounts by or on behalf of any government contributing to the support of the Commission.

ARTICLE VII

Conflict of Interest

(a) The Commission shall adopt rules and regulations with respect to conflict of interest for the commissioners of the party states, and their alternates, if any, and for the staff of the Commission and contractors with the Commission to the end that no member or employee or contractor shall have a pecuniary or other incompatible interest in the manufacture, sale or distribution of motor vehicles or vehicular equipment or in any facility or enterprise employed by the Commission or on its behalf for testing, conduct of investigation or research. In addition to any penalty for violation of such rules and regulations as may be applicable under the laws of the violator's jurisdiction of residence, employment or business, any violation of a Commission rule or regulation adopted pursuant to this Article shall require the immediate discharge of any violating employee and the immediate vacating of membership, or relinquishing of status as a member on the Commission by any commissioner or alternate. In the case of a contractor, any violation of any such rule or regulation shall make any contract of the violator with the Commission subject to cancellation by the Commission.

(b) Nothing contained in this Article shall be deemed to prevent a contractor for the Commission from using any facilities subject to his control in the performance of the conrtact even though such facilities are not devoted solely to work of or done on behalf of the Commission, nor to prevent such a contractor from receiving remuneration or profit from the use of such facilities.

ARTICLE VIII

Advisory and Technical Committees

The Commission may establish such advisory and technical committees as it may deem necessary, membership on which may include private citizens and public officials, and may cooperate with and use the services of any such committees and the organizations which the members represent in furthering any of its activities.

ARTICLE IX

Entry Into Force and Withdrawal

(a) This compact shall enter into force when enacted into law by any six or more states. Thereafter, this compact shall become effective as to any other state upon its enactment thereof.

(b) Any party state may withdraw from this compact by enacting a statute repealing the same, but no such withdrawal shall take effect until one year after the executive head of the withdrawing state has given notice in writing of the withdrawal to the executive heads of all other party states. No withdrawal shall affect any liability already incurred by or chargeable to a party state prior to the time of such withdrawal.

ARTICLE X

Construction and Severability

This compact shall be liberally construed so as to effectuate the purposes thereof. The provisions of this compact shall be severable and if any phrase, clause, sentence or provision of this compact is declared to be contrary to the Constitution of any state or of the United States or the applicability thereof to any government, agency, person or circumstance is held invalid, the validity of the remainder of this compact and the applicability thereof to any government, agency, person or circumstance shall not be affected thereby. If this compact shall be held contrary to the constitution of any state participating herein, the compact shall remain in full force and effect as to the remaining party states and in full force and effect as to the state affected as to all severable matters.

Section 2. The legislature finds that:

1. The public safety necessitates the continuous development, modernization and implementation of standards and requirements of law relating to vehicle equipment, in accordance with expert knowledge and opinion.

2. The public safety further requires that such standards and requirements be uniform from jurisdiction to jurisdiction, except to the extent that specific and compelling evidence supports variation.

3. The Department of Public Safety, acting upon recommendations of the Vehicle Equipment Safety Commission and pursuant to the Vehicle Equipment Safety Compact provides a just, equitable and orderly means of promoting the public safety in the manner and within the scope contemplated by this act.

Section 3. The provisions of all statutes prescribing motor vehicle equipment requirements shall continue to be of force and effect only until superseded by a rule, regulation or code adopted by the Department of Public Safety pursuant to the Vehicle Equipment Safety Compact. Any such rule, regulation or code shall specify the provision or provisions of existing statute being superseded in accordance with and as required by this act. Any such provision or provisions are hereby repealed, effective on the date when the rule, regulation or code superseding such provision or provisions becomes effective pursuant to the Vehicle Equipment Safety Compact and such other provisions of this act as may be applicable.

Section 4. Pursuant to Article V (e) of the Vehicle Equipment Safety Compact, it is the intention of this state and it is hereby provided that no rule, regulation or code issued by the Vehicle Equipment Safety Commission in accordance with Article V of the compact shall take effect until approved by act of the legislature.

Section 5. The Commissioner of this state on the Vehicle Equipment Safety Commission shall be the Commissioner of Public Safety who shall serve during his continuance as such officer. The commissioner of this state appointed pursuant to this section may designate an alternate from among the officers and employees of his agency to serve in his place and stead on the Vehicle Equipment Safety Commission. Subject to the provisions of the compact and bylaws of the Vehicle Equipment Safety Commission, the authority and responsibilities of such alternate shall be as determined by the Commissioner designating such alternate.

Section 6. The Kentucky Employees Retirement System may make an agreement with the Vehicle Equipment Safety Commission for the coverage of said Commission's employees pursuant to Article III (f) of the compact. Any such agreement, as nearly as may be shall provide for arrangements similar to those available to the employees of this state and shall be subject to amendment or termination in accordance with its terms.

Section 7. Within appropriations available therefor, the departments, agencies and officers of the government of this state may cooperate with and assist the Vehicle Equipment Safety Commission within the scope contemplated by Article III (h) of the compact. The departments, agencies and officers of the government of this state are authorized generally to cooperate with said Commission.

Section 8. Filing of documents as required by Article III (j) of the compact shall be with the Secretary of State. Any and all notices required by Commission bylaws to be given pursuant to Article III (j) of the compact shall be given to the Commissioner of this state, his alternate, if any, and the Secretary of State.

Section 9. Pursuant to Article VI (a) of the compact, the Vehicle Equipment Safety Commission shall submit its budgets to the Department of Finance.

Section 10. Pursuant to Article VI (e) of the compact, the Department of Finance is hereby empowered and authorized to inspect the accounts of the Vehicle Equipment Safety Commission.

Section 11. Any person who violates Article VIII of the compact shall be subject to the penalties imposed by KRS 61.990.

Section 12. The term "executive head" as used in Article IX (b) of the compact shall, with reference to this state, mean the governor.

HB 367, AN ACT relating to definitions and the establishment of the Women's Prison as a separate institution.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 197.010 of the Kentucky Revised Statutes is amended to read as follows:

Definitions as used in this chapter, unless the context otherwise require:

(1) "State Agency" means any department, board, commission or agency of the state government;

(2) "Department" means Department of Corrections;

(3) "Penitentiaries" includes the state penal institutions for males at Eddyville and LaGrange, *the institution for Women located in Shelby County,* together with the branches thereof [in Shelby and Franklin Counties] and any other similar institutions hereafter established.

Section 2. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) The penal institution for women, located in Shelby County, shall be a separate institution to be headed by a female superintendent, appointed by the Commissioner. The superintendent shall have had at least four years experience in an administrative capacity in a correctional institution for women and shall have demonstrated an ability in prison management. The institution for women shall be known as "The Kentucky Correctional Institution for Women."

Said Committee Amendment to **HB 367** is as follows:

Amend printed copy of House Bill 367 on page 2, by:

Striking lines 3 through 10, and substituting therefor:

(1) The institution for women shall be known as "The Kentucky Correctional Institution for Women."

HB 109, AN ACT relating to the State Board of Education.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

A new section of the Kentucky Revised Statutes is created to read as follows:

Section 1. The State Board of Education is authorized to purchase, lease, or erect one or more buildings to be used as area vocational schools at such sites and serving such areas as, in the discretion of the Board, will best meet the vocational education needs of the Commonwealth. Such facilities for vocational eduation shall be operated in accordance with policies of the Board and in accordance with the State Plan for Vocational Education.

HB 419, AN ACT relating to education.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 157.390 of the Kentucky Revised Statutes is amended to read as follows:

(1) (a) The Superintendent of Public Instruction, under regulations of the State Board of Education, shall classify teachers in rank as follows:

Rank I. Those holding regular certificates and who have a master's degree and who have earned thirty semester hours of additional approved graduate work, and those teachers who, as of September 1, 1962, were included in Rank I, having earned twenty-four semester hours of additional approved graduate work.

Rank II. Those holding regular certificates and who have a master's degree or its equivalent.

Rank III. Those holding regular certificates and who have an approved four-year college degree or the equivalent.

Rank IV. Those holding certificates and who have ninety-six to one hundred and twenty-eight semester hours of approved college training or the equivalent; provided, however, that persons holding emergency certificates shall not be classified higher than this rank.

Rank V. Those holding certificates and who have sixty-four to ninety-five semester hours of approved college training or the equivalent.

Rank VI. Those holding certificates and who have thirty-two to sixty-three semester hours of approved college training or the equivalent; provided, however, that effective July 1, 1965, no teacher in Rank VI shall be included in calculating the amount to be included in the foundation program. [of a dsitrict for teachers' salaries, unless the teacher holds a life certificate.]

Rank VII. Those holding certifiactes and who have fewer than thirty-two semester hours of approved college training or the equivalent; provided, however, that effective July 1, 1964, no teacher in Rank VII shall be included in calculating the amount to be included in the foundation program. [of a district for teachers' salaries.]

(b) In determining ranks, the Superintendent of Public Instruction, under regulations of the State Board of Education, shall classify teachers who hold valid certificates in the respective ranks according to approved college semester hours of credit. The Superintendent of Public Instruction, in defining preparation for certain types of vocational teachers as equivalent to college training, shall give consideration to apprenticeship training and indutsrial experience.

(2) *The amount to be included in the 1964-65 school year in the foundation program of a district for teachers' salaries shall be*

determined by multiplying the number of teachers in each rank, not to exceed the number of classroom units allowed, by the amount set forth in the following schedule for each rank:

Rank I	*$ 4900*
Rank II	*4600*
Rank III	*4300*
Rank IV	*2900*
Rank V	*2600*
Rank VI	*2200*

Beginning with the school year [1961-62] *1965-66,* the amount to be included in the foundation program of a district for teachers' salaries shall be determined by multiplying the number of teachers in each rank, not to exceed the number of classroom units allowed, by the amount set forth in the following allotment schedule for each rank:

Rank I	$[4600] *5100*
Rank II	[4300] *4800*
Rank III	[4000] *4500*
Rank IV	2900
Rank V	2600
[Rank VI	2200]
[Rank VII	1900]

Provided, the amount to be included for vocational units, supervisory units, and units for administrators, directors of pupil personnel and special instructional services shall be increased proportionately if the personnel for such units are employed for longer than the regular school term and such employment is approved by the Superintendent of Public Instruction under regulations of the State Board of Education. Where the actual number of teachers employed by the district varies from the number allowed under the provisions of KRS 157.310 to 157.440, the number to be included in each rank shall be in the same ratio that the number of teachers actually in each rank is to the total number of teachers employed.

(3) The amount to be included in the foundation program for other current expenses shall be determined by multiplying the number of classroom units by nine hundred dollars.

(4) The amount to be included in the foundation program for capital outlay shall be determined by multiplying the number of classroom units by six hundred dollars.

(5) The amount to be included in the foundation program of each district for transportation shall be determined by multiplying the aggregate attendance of transported children by the allowable cost

per pupil per day for that district determined in accordance with the provisions of KRS 157.370.

(6) The total cost of the foundation program for each district shall be the sum of the allotments in subsections (2), (3), (4), and (5) of this section.

Section 157.400 of the Kentucky Revised Statutes is amended to read as follows:

(1) The amount of money distributable to each district from the public school foundation program fund shall be determined by subtracting the required local tax effort from the total foundation program allotment for the district as determined in KRS 157.390.

(2) (a) If it shall be determined in subsection (1) that the amount of money distributable to a school district for the school year [1960-61] *1964-65* shall be less than [one hundred and twenty] *one hundred thirty-six dollars* per pupil in average daily attendance and, beginning in the [1961-62] *1965-66* school year, that the amount of money distributable to a school district shall be less than [one hundred and twenty-five] *one hundred forty-three* dollars per pupil in average daily attnedance, then the apportionment for that district shall be increased to [one hundred and twenty] *one hundred thirty-six* dollars per pupil in average daily attendance in *1964-65* and, beginning in the [1961-62] *1965-66* school year, [then] the apportionment for that district shall be increased to [one hundred and twenty-five] *one hundred forty-three* dollars per pupil in average daily attendance; provided, however, if a district fails to provide the total potential classroom units under KRS 157.360 subsections (2), (6), (7), and (8) and at least as many classroom units under KRS 157.360 [subsections] *subsection* (4), and *subsection* (5) as were provided in *each of these subsections* in 1955-56, any increase in the apportionment called for in this subsection shall be reduced to the extent that the district fails to provide the classroom units.

(b) The average daily attendance referred to in this subsection shall be the prior year average daily attendance of the district adjusted proportionally for any increase in classroom units allotted the district under provisions of KRS 157.360 subsection [(2).] *(3).*

(c) The classroom unit requirement under this subsection relating to classroom units under KRS 157.360 [subsections] *subsection* (4), and *subsection* (5) may be waived for any district by the Superintendent of Public Instruction when it is shown that the need for these educational services no longer exists.

(3) In the event a district whose appropriation is increased under subsection (2) of this section is allotted classroom units under KRS 157.360 [subsections] *subsection* (4), [and] *or* (5) in excess of the number of such units allotted that district in 1955-56, then the

allotment to that district determined in subsection (2) of this section shall be increased by the foundation program cost of these units determined in accordance with KRS 157.390 subsections (2), (3), and (4).

(4) If the allotment to a school district as determined in subsections (2) and (3) is an amount less than [thirty-five dollars per pupil in average daily attendance plus the allotment for the school district in 1959-60] *the allotment per pupil in average daily attendance in 1963-64,* then the allotment shall be increased by an amount necessary to provide [a final amount equal to the 1959-60 allotment plus thirty-five dollars per pupil in average daily attendance] *a per pupil average daily attendance allotment in 1964-65 and in 1965-66 equal to the per pupil average daily attendance allotment in 1963-64;* provided, however, if a district fails to provide the total potential classroom units under KRS 157.360 subsections (2), (6), (7), and (8) and at least as many classroom units under KRS 157.360 subsections (4) [and], *or* (5) as were provided in 1955-56, any increase in the apportionment called for in this subsection shall be reduced to the extent that the district fails to provide the classroom units.

(5) If a district fails for any reason to make the required local tax effort, as provided in KRS 157.380, the amount of the apportionment of the public school foundation program fund to be paid to such district under subsections (1), (2), (3), and (4) of this section shall be reduced by the percentage of loss from the required local tax effort.

(6) So much of the public school foundation program fund which would not be distributed under subsections (1) through (5) inclusive of this section, due to the failure of one or more participating districts to meet the full requirements, shall be held in the account for distribution the following year among districts which meet the requirements for participation.

Section 157.430 of the Kentucky Revised Statutes is amended to read as follows:

If, when the apportionments are being determined under the provisions of KRS 157.310 to 157.440, funds appropriated by the General Assembly to the public school foundation program fund plus that portion of the funds required from local tax effort are insufficient to provide the amount of money required under subsections (1), (2), *(3),* and (4) of KRS 157.400, the Superintendent of Public Instruction shall make a percentage reduction in the allotments determined in these subsections for each district to the extent necessary to reduce the total of these allotments to funds available, [provided that no district shall receive less than the amount that it received in its per capita apportionment in 1955-56] provided [further] that it meets the requirements set forth in KRS 157.350 and subsections (2), (3), (4), and (5) of KRS 157.400. [The revenue available after the provisions of KRS 157.400 subsections (1), (2), and (4) have been met shall be apportioned to meet, in so far as possible, the provisions of KRS 157.400 subsection (3).]

HB 296, AN ACT relating to teachers in public schools.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 157.390 is amended to read:

(1) (a) The Superintendent of Public Instruction, under regulations of the State Board of Education, shall classify teachers in rank as follows:

Rank I. Those holding regular certificates and who have a master's degree and who have earned thirty semester hours of additional approved graduate work, and those teachers who, as of September 1, 1962, were included in Rank I, having earned twenty-four semester hours of additional approved graduate work.

Rank II. Those holding regular certificates and who have a master's degree or its equivalent.

Rank III. Those holding regular certificates and who have an approved four-year college degree or the equivalent.

Rank IV. Those holding certificates and who have ninety-six to one hundred and twenty-eight semester hours of approved college training or the equivalent; provided, however, that persons holding emergency certificates shall not be classified higher than this rank.

Rank V. Those holding certificates and who have sixty-four to to ninety-five semester hours of approved college training or the equivalent.

Rank VI. Those holding certificates and who have thirty-two or sixty-three semester hours of approved college training or the equivalent; provided, however, that effective July 1, 1965, no teacher in Rank VI shall be included in calculating the amount to be included in the foundation program of a district for teachers' salaries, unless the teacher holds a life certificate.

Rank VII. Those holding certificates and who have fewer than thirty-two semester hours of approved college training or the equivalent; provided, however, that effective July 1, 1964, no teacher in Rank VII shall be included in calculating the amount to be included in the foundation program of a district for teachers' salaries.

(b) In determining ranks, the Superintendent of Public Instruction, under regulations of the State Board of Education, shall classify teachers who hold valid certificates in the respective ranks according to approved college semester hours of credit. The Superintendent of Public Instruction, in defining preparation for certain types of vocational teachers as equivalent to college training, shall give consideration to apprenticeship training and industrial experience.

(2) Beginning with the school year *1964-65* [1961-62], the amount to be included in the foundation program of a district for teachers' salaries shall be determined by multiplying the number of teachers in each rank, not to exceed the number of classroom units allowed, by the amount set forth in the following allotment schedule for each rank:

Rank I	*$4900*	[$4600]
Rank II	*$4600*	[$4300]
Rank III	*$4300*	[$4000]
Rank IV	*$3200*	[$2900]
Rank V	*$2900*	[$2600]
Rank VI	*$2500*	[$2200]
Rank VII	*$2200*	[$1900]

The allotment schedule shall be increased by two hundred dollars for each rank beginning with the school year 1965-66. Provided, the amount to be included for vocational units, supervisory units, and units for administrators, directors of pupil personnel and special instructional services shall be increased proportionately if the personnel for such units are employed for longer than the regular school term and such employment is approved by the Superintendent of Public Instruction under regulations of the State Board of Education. Where the actual number of teachers employed by the district varies from the number allowed under the provisions of KRS 157.310 to 157.440, the number to be included in each rank shall be in the same ratio that the number of teachers actually in each rank is to the total number of teachers employed.

(3) The amount to be included in the foundation program for other current expenses shall be determined by multiplying the number of classroom units by nine hundred dollars.

(4) The amount to be included in the foundation program for capital outlay shall be determined by multiplying the number of classroom units by six hundred dollars.

(5) The amount to be included in the foundation program of each district for transportation shall be determined by multiplying the aggregate attendance of transported children by the allowable cost

per pupil per day for that district determined in accordance with the provisions of KRS 157.370.

(6) The total cost of the foundation program for each district shall be the sum of the allotments in subsections (2), (3), (4), and (5) of this section.

HB 392, AN ACT relating to revenue and taxation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of the Kentucky Revised Statutes is created to read as follows:

Definitions as used in this Act:

(1) "Insurance company" means an insurer as defined in KRS 304.003. Such definition does not include:

(a) Societies, companies or associations organized under the authority and patronage of any church or religious denomination for the exclusive purpose of insuring the property of churches or religious denomination and the personal property or lives of the pastors and ministers thereof.

(b) Fraternal benefit societies, hospital service corporations, medical service corporations, or burial associations.

(c) Domestic assessment or cooperative insurance companies organized and operated under Chapter 299 of the Kentucky Revised Statutes.

(2) "Person" means a person as defined in KRS 304.005.

(3) "Domestic company" means such company as defined in KRS 304.060 (1).

(4) "Unauthorized insurance company" means any insurance company not authorized to do business in this state as provided in Chapter 304 of the Kentucky Revised Statutes.

(5) "Gross premiums" means all amounts charged, paid, received or credited in consideration for insurance and shall include ordinary premiums, deposits, policy fees, membership fees, application fees, amounts received for reinsurance on Kentucky risks from unauthorized companies, and every other consideration for or incidental to such insurance, including any chrages for services rendered in connection with such insurance.

(6) "Taxable premium" means gross premiums properly allocable to this state less the deductions properly allocable to this state for:

(a) Returns and refunds made or credited to policyholders on cancelled policies but no deduction shall be allowed for any dividends except accident and health dividends; and

(b) Policies not taken.

Section 2. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) Any company whose tax, as provided in KRS 136.330, 136.340, 136.350, 136.370 and 342.445 or 304.110, was five thousand dollars or more in the previous year shall file a declaration of estimated tax and remit one third of such amount on or before June 1, 1965, provided that if any taxpayer uses the amount of the tax liability for the previous calendar year as the estimate for such declaration no penalties or interest shall apply to any subsequent adjustments. The remainder of the tax shall be due on or before March 1, 1966.

(2) As provided in subsection (1) of this section, but beginning in 1966, and each year thereafter, the tax due shall be paid in three installments, one third on or before June 1, one third on or before October 1, and the remainder on or before the following March 1. Provided, however, if any taxpayer uses the amount of the tax liability for the previous calendar year as the estimate for such declaration no penalties or interest shall apply to any subsequent adjustments.

(3) Any adjustments may be made on or before October 1. All adjustments shall be made on or before March 1.

Section 3. A new section of the Kentucky Revised Statutes is created to read as follows:

All such taxes not paid when due shall be subject to a penalty of five per cent per month, but not more than twenty-five per cent penalty shall be assessed on any one report, and interest at the rate of one-half of one per cent per month from the date the report was due.

Section 4. A new section of the Kentucky Revised Statutes is created to read as follows:

In the event any insurance company shall dissolve or retire from this state, either voluntraily or involuntarily, during any calaendar year, such dissolution or retirement shall not defeat or excuse the filing of reports and assessment and collection of taxes imposed by this Act with respect to premiums written or deposits held during that part of the calendar year prior to such dissolution or retirement from this state.

HB 451, AN ACT relating to the powers of cities of the third, fourth, fifth and sixth classes to condemn property for sewerage systems and sewage treatment plants.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 94.170 of the Kentucky Revised Statutes is hereby amended to read as follows:

Whenever any city of the *third,* fourth, fifth or sixth class determines to acquire or construct a sewerage system under the provisions of KRS 94.160, and the city cannot agree with the owner as to the compensation for the sale of any property located either within or without the boundaries of the city that is necessary to complete the system, the city may, after adopting and publishing an ordinance declaring the necessity, condemn and take possession of the property for that purpose in the manner provided in KRS 416.010 to 416.080.

Section 2. Whereas cities of the Third Class were inadvertently omitted from the provisions of this section and in part now face the necessity of availing themselves of the provisions hereof, an emergency is declared to exist and this act shall become effective upon its passage and approval by the Govrenor.

HB 418, AN ACT relating to education.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 160.450 of the Kentucky Revised Statutes is amended to read as follows:

The fiscal year of all school districts shall begin on July 1 and end on June 30, except in those districts where the law governing the municipality which they embrace provides otherwise [.] *; provided, however, that any independent school district in a county containing a city of the second class may elect to adopt a fiscal year which shall begin on July 1 and end on June 30.*

HB 403, AN ACT relating to the "friend of the court."

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 403.090 is amended to read:

(1) The fiscal court of any county may, by resolution, authorize the appointment of a "friend of the court." If the circuit court of the county has but one judge, the appointment shall be made by the judge. If the court has two or more judges, the appointment shall be made by joint action of the judges, at the general term. The appointment shall be for a term of two years, subject to removal at the pleasure of the appointing authority. Vacancies shall be filled by appointment of the appointing authority for the unexpired term. The person appointed shall be a licensed practicing attorney. He

shall take the Constitutional oath of office and shall give bond in such sum as may be fixed by the appointing judge or judges.

(2) It shall be the duty of the friend of the court to supervise and enforce the payment of sums ordered or adjudged by the circuit court in divorce actions to be paid for the care and maintenance of minor children. All persons who have been ordered or adjudged by the court, in connection with divorce actions, to make payments for the care and maintenance of children, shall, if so ordered by the court, make such payments to the friend of the court, and he shall see that the payments are properly applied in accordance with the order or judgment. However, if the court so directs, the payments may be made through the juvenile court of the county; in such case the friend of the court shall render such assistance as may be required in keeping records concerning such payments and in the enforcement of delinquent payments, and the circuit court may direct that a designated amount or portion of the funds appropriated by the fiscal court for expenses of the friend of the court be paid to to the juvenile court as reimbursement for the expenses incurred by the juvenile court in connection with the handling of such payments. The friend of the court shall promptly investigate all cases where payments have become delinquent, and when necessary shall cause the delinquent person to be brought before the court for the purpose of compelling payment. He shall ascertain the facts concerning the care, custody, and maintenance of children for whom payments are being made, and shall report to the court all cases in which the children are not receiving proper care or maintenance, or in which the person having custody is failing to furnish proper custody. He shall make such other reports to the court as the court may require.

(3) In any action for divorce where the parties have minor children, the friend of the court, if requested by the trial judge, shall make such investigation as will enable him to ascertain all facts and circumstances that will affect the rights and interests of the children and will enable the court to enter just and proper orders and judgment concerning the care, custody and maintenance of the children. He shall make a report to the trial judge, at a time fixed by the judge, setting forth his recommendations as to the care, custody and maintenance of the children. He may request the court to postpone the final submission of any case to give him a reasonable time in which to complete his investigation.

(4) The friend of the court shall have authority to secure the issuance by the court of any order, rule or citation necessary for the proper enforcement of orders and judgments in divorce actions concerning the custody, care and maintenance of children. In performing his duties under subsection (3) of this section he shall attend the taking of depositions within the county, and shall have authority to cross-examine the witnesses; in the case of depositions taken on

interrogatories, he may file cross-interrogatories. He shall be duly notified of the time and place of the taking of depositions in all divorce actions where the parties have minor children, and shall attend the taking of all such depositions when he deems it necessary for the protection of the minor children, or when he may be directed by the court to attend.

(5) The friend of the court shall not directly or indirectly represent any party to a divorce action except as he is herein authorized to represent the minor children of parties to a divorce action, but if an allowance is made for the support of a mother and her infant child or children, he may proceed to enforce the payment of the allowance made to the mother also.

(6) The fiscal court of any county which has authorized the appointment of a friend of the court under this section shall, by resolution, fix a reasonable compensation for the friend of the court, and make a reasonable allowance for his necessary supplies, equipment and expenses, payable out of the general fund of the county, upon approval of the judge or judges appointing him. The compensation of the friend of the court in counties containing a city of the first *or second* class shall not exceed $3,600 per annum, and the allowance for expenses shall not exceed $1,200 per annum; and in all other counties the compensation shall not exceed $2,400 per annum, and the allowance for expenses shall not exceed $900 per annum.

HB 453, AN ACT relating to taxation of premiums of hospital service corporations, medical service plan corporations, dental service plan corporations, and domestic mutual insurers of medical and surgical care.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

A new section of the Kentucky Revised Statutes is hereby created to read as follows:

No tax shall be imposed upon or measured by the premiums paid to or received by a hospital service corporation, a medical service plan corporation, a dental service plan corporation, or a domestic mutual insurer against the risk or cost of medical and/or surgical care organized under Chapter 304 or former Chapter 301 of the Kentucky Revised Statutes.

HB 322, AN ACT relating to advancements to county sheriffs for expenses.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 64.140 of the Kentucky Revised Statutes is amended to read as follows:

(1) [In counties containing a population of 75,000 or over, the] *Any* sheriff may be entitled to receive an advancement to defray necessary official expenses and to apply to the payment of the salaries of himself and his deputies and assistants. The Commissioner of Finance shall, on the first day of each calendar month, determine the necessary amount that may be advanced to the sheriff, which amount shall not exceed one-twelfth of the total fees collected by the sheriff for the preceding year and may be for a less amount, and in no event shall it exceed $30,000 per month. When approved by the Commissioner of Finance, a warrant shall be drawn on the State Treasury in favor of the sheriff for such advancement. At the end of each calendar year the sum of such advancements shall be deducted from the part of the total fees and commissions paid into the State Treasury by the sheriff, pursuant to Section 106 of the Constitution, that is available for use for the payment of the salaries of the sheriff, his deputies and assistants, and his necessary office expenses.

(2) If the office of sheriff becomes vacant, the sums advanced under this section shall be charged against that part of the fees and the commissions of the office of the sheriff that have been, or shall be, paid into the State Treasury during the calendar year in which the advancements were made, and that is available for payment of the salaries of the sheriff, his deputies and assistants, and necessary expenses of his office.

(3) If the total of fees and commissions paid into the State Treasury by the sheriff for any calendar year is insufficient to match the amount of advancements made to him, he and his sureties shall be liable to the state for any excess of advancements over the total of fees and commissions paid into the State Treasury.

HB 323, AN ACT relating to sheriffs in the payment, collection and refund of taxes, amending KRS 134.230 relating to execution of general revenue bonds for the sheriff, approval of surety, lien on property of sheriff and additional bond.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 134.230 of the Kentucky Revised Statutes is amended to read as follows:

(1) The sheriff shall, before he qualifies and before he assumes the duties of the office for the first time, enter into bond with surety for the faithful performance of his duties as revenue collector. This bond shall cover liability to account, as provided by law, for all charges of taxes made against him, and for all money received by

him as revenue collector from the date he assumes the duties of the office to and including May 31 of the same year. He shall enter into bond with surety thereafter before or as of June 1 of each succeeding year of the term of his office, except that the expiration date of the bond for the last year in the term shall be to and including March 15. The county judge shall hold court at any time the sheriff may request for the purpose of executing bond.

(2) The county court, except in case of a corporate surety, shall judge of the sufficiency of the surety, and in no case shall sureties be taken who are not jointly worth, subject to exectuion after the payment of all their debts and liabilities, a sum equal to the aggregate amount of state tax receipts that will probably be received by the sheriff during the year or period succeeding the execution of the bond. Where a corporate surety bond is offered, it shall be for a sum not less than the largest amount of state tax receipts that the sheriff will probably have in his possession at any one time, except that such corporate surety bond shall in no event exceed $200,000. The county court, with the approval of the Department of Revenue, shall determine the amount of the corporate surety bond and judge of the sufficiency of the surety.

[(3) The state, county and taxing districts shall have a lien, from the date the sheriff begins to act, upon the real property of the sheriff then owned or that may afterwards be acquired by him during his term as sheriff or special tax collector. This lien shall not be discharged until the whole amount of the money collected by the sheriff or for which he may be liable has been paid, or until four years have elapsed from the expiration of his term of office without any action having been commenced to assert the lien. The same lien shall exist upon the real property of a usurper of the office of sheriff, a de facto sheriff, or any person who acts as sheriff.]

[(4)] *(3) The county court may require the sheriff to give additional bond, with good surety to be approved by the court, whenever the court deems it necessary in the interest of the state or county.*

(4) The state, county and taxing districts shall have a lien, from the date the sheriff begins to act, upon the real property of the sheriff then owned or that may afterwards be acquired by him during his term as sheriff or special tax collector. The same lien shall exist upon the real property of a ursurper of the office of sheriff, a de facto sheriff or any person who acts as sheriff.

(5) The lien referred to in (4) above shall not be discharged until four years have elapsed from the expiration of his term of office without any action having been commenced to assert the lien, or until a quietus from the state, county and taxing districts has been

filed and recorded in the office of the County Court Clerk for each of the tax periods during the sheriff's term, whichever of these two events shall first occur. Each quietus shall approve the settlement of the sheriff, acknowledge payment of monies due, and shall discharge and release the sheriff from further liability for the taxing period involved. The County Court Clerk shall be entitled to receive $1.00 for filing and recording each quietus and shall note upon the quietus the date, book and page of the last preceding quietus recorded.

HB 164, AN ACT relating to General Corporations.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 271.055 is amended to read:

(1) The articles of incorporation in triplicate originals shall be acknowledged by at least [three] *one* of the incorporators before an officer authorized by the laws of this state to take acknowledgments and the triplicate originals shall be delivered to the Secretary of State. If he finds that the articles of incorporation have been signed and acknowledged according to law, he shall, when all taxes, fees and charges have been paid as required by law, record one original in his office, and issue a certificate of incorporation. There shall be paid to the Secretary of State a fee of $3.00 for recording the articles, and a fee of $1.00 for issuing a certificate of incorporation.

(2) The certificate of incorporation together with the remaining original articles of incorporation, endorsed with the fact and time of recording in the office of the Secretary of State, shall be returned to the *incorporator or* incorporators *or his or* their representatives. One original shall then be filed with and recorded by the clerk of the county court of the county in which the registered office of the corporation is situated, and the other shall be retained by the corporation. The clerk of the county court shall be paid a fee of $3.00 for recording said articles.

(3) No foreign corporation, except a foreign insurance company, shall be authorized to do business in this state until it has filed a certified copy of its articles of incorporation and all existing amendments in the office of the Secretary of State. It shall thereafter file a certified copy of subsequent amendments to its articles in the office of the Secretary of State. Such corporations shall pay to the Secretary of State an original filing fee of $25.00 and a recording fee of $10.00 for recording the articles of incorporation and accompanying amendments, and shall pay the same recording fee for recording subsequent amendments.

(4) A copy of any articles of incorporation and all amendments thereto of both domestic and foreign corporations as recorded in the

office of the Secretary of State, under the certificate and seal of that office, shall be accepted as evidence in any court for any purpose in any action in which the original could be used. For furnishing a certified copy of the record to any party, the Secretary of State shall charge the same fee to be charged for the recordation of that instrument.

Section 2. KRS 271.125 is amended to read:

Each corporation formed under the provisions of this chapter shall have power:

(1) To have a corporate seal and altar it at pleasure, *provided, however, that the presence or absence of a corporate seal on or from a writing shall neither add to nor detract from the legality thereof nor affect its validity in any manner or respect.*

(2) To continue as a corporation for the time limited in its articles of incorporation, or, if no such time limit is specified then perpetually.

(3) To sue and be sued in its corporate name.

(4) To contract and be contracted with.

(5) To acquire, hold, sell, dispose of, pledge or mortgage any such property as its purposes may require, subject to any limitation prescribed by law or the articles of incorporation.

(6) To elect and appoint such officers and agents as the business of the corporation shall require, and to remove them, to define their duties and fix their compensation and to require a bond for the faithful discharge of their duties.

(7) To make bylaws not inconsistent with law.

(8) To conduct the business and promote the purposes for which it was formed in this state and elsewhere as may be permitted by law.

(9) To dissolve and wind up as provided in KRS 271.495 to 271.545.

(10) To acquire, hold, mortgage, pledge or dispose of the shares, bonds securities and other evidences of indebtedness of any domestic or foreign corporation.

(11) To idemnify its directors and officers as set out in KRS 271.375.

(12) To accept gifts and to carry out any terms, requests or conditions prescribed or made by the donor thereof.

(13) To make donations for public welfare, scientific, religious or educational purposes.

Section 3. KRS 271.345 is amended to read:

(1) The business of every corporation shall be managed by a board of at least [three] *one* [Directors who need not be shareholders unless the articles of incorporation so require.] *director.* A director shall hold office for the term of which he was named or elected and until his successor is elected and has accepted the election. *He need not be a shareholder unless the articles of incorporation so require.*

(2) After the issuance of the certificate of incorporation, the first meeting of shareholders shall be held, either within or without this state, at the call of the *incorporator or* incorporators or a majority of them, for the purpose of electing directors, of making bylaws if the articles of incroporation do not provide for the making thereof by the directors, and for such other purposes as shall be stated in the notice of the meeting. The incorporators so calling the meeting shall give at least three days' notice thereof by mail to each shareholder, which notice shall state the time, place, and purpose of the meeting.

(3) After the election by shareholders of the directors constituting the first board of directors, an organization meeting of such board of directors shall be held, either within or without this state, at the call of a majority of the directors so elected, for the purpose of adopting bylaws if the articles of incorporation so provide, for the purpose of electing officers, and for the transaction of such other business as may come before the meeting. The directors calling the meeting shall give at least one day's notice thereof by mail to each director so elected, which notice shall state the time and place of meeting. Such call and notice shall not be necessary if all directors are shown by the minutes of such meeting to have been present thereat.

(4) The number, qualifications, manner of election, time and place of meeting, and the powers and duties of the directors may, subject to the provisions of this chapter be prescribed by the articles of incorporation or bylaws. Directors shall be elected for terms of one year, except that it may be provided by the articles or bylaws or by a vote of the shareholders, that the directors be elected for terms of two years or three years, in which case the terms shall be so arranged that the terms of an equal or nearly equal number of directors will expire each year. Except as otherwise provided in the articles or bylaws:

(a) Vacancies in the board of directors shall be filled by the remaining member or members of the board. Each person so elected shall be a director until his successor is elected by the shareholders, who shall make such election for the unexpired term, if any, at the next annual meeting of the shareholders or at a special meeting duly called for that purpose;

(b) The meetings of the board of directors may be held at such place, in this state or elsewhere, as the bylaws may provide;

(c) A majority of the board of directors shall constitute a quorum for the transaction of business, unless the bylaws provide that a different number shall constitute a quorum, which in no case shall be less than one-third of the total number of directors nor less than two directors. The acts of a majority of the directors present at a meeting at which a quorum is present shall be the acts of the board of directors;

(d) The board of directors may, by resolution passed by a majority of the whole board, designate two or more of their number to constitute an executive committee, who, to the extent provided in the resolution, shall have and exercise the authority of the board of directors in the management of the corporation.

Section 4. KRS 271.355 is amended to read:

[(1) The board of directors shall elect a president, a secretary and a treasurer, and may elect one or more vice-presidents. No officer need be a director. Any two of the offices of vice-president, secretary and treasurer may be combined in one person.]

(1) [(2)] Such officers and agents as may be necessary for the business of the corporation may be appointed by the board of directors or in the manner provided in the bylaws. *No officer need be a director. Any two of the offices of vice-president, secretary and treasurer may be combined in one person.*

(2) [(3)] All officers and agents shall respectively have such authority and perform such duties in the management of the property and affairs of the corporation, subject to the control of the board of directors, as may be prescribed in the bylaws, or, in the absence of controlling provisions in the bylaws, as may be determined by the board of directors.

(3) [(4)] Any officer or agent may be removed by the board of directors whenever in their judgment the best interests of the corporation will be served thereby. Such removal, however, shall be without prejudice to the contract rights of the person so removed.

SB 260, AN ACT relating to planning and zoning.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

KRS 81.040 is amended to read as follows:

(1) No city may be incorporated unless at least 125 inhabitants reside within the boundaries proposed to be established for the city. The boundary of any city, when incorporated, shall not exceed one-

half mile in each direction, the form of the city being square, except that any incorporated taxing district having by its charter a grant of municipal powers and exercising them, and having at least 250 inhabitants residing within the boundary proposed to be established for the city, may be incorporated as a city with its present territorial boundaries.

(2) Because of small population of sixth class cities and the dependence primarily upon the county wherein such cities are located, all planning and zoning regulations shall be adopted and passed by the fiscal court and county judge in the counties wherein sixth class cities are located. This provision applies only to the sixth class city within said county and not to other cities of larger size in the county. Sixth class cities located in more than one county shall be zoned by the fiscal court and county judge of the larger county. The regulations and powers applicable to sixth class cities contained in KRS 100.500 are to be performed by the fiscal court and county judge as above set out.

SB 114, AN ACT relating to petty loan companies.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

KRS 288.530 is amended to read:

(1) Every licensee may lend any sum of money not exceeding eight hundred dollars, excluding charges, and may charge, contract for and receive thereon charges not in excess of *fifteen* [twenty] dollars per one hundred dollars on that part of the cash advance (the cash or its equivalent received by the borrower or paid out on his behalf or at his direction or request) not exceeding one hundred fifty dollars and *eleven* [fifteen] dollars per one hundred dollars on that part of the cash advance exceeding one hundred fifty dollars but not exceeding six hundred dollars and *nine* [eleven] dollars per one hundred dollars on that part of the cash advance exceeding six hundred dollars, but not exceeding eight hundred dollars, when the loan is made payable over a period of one year, and, proportionately at those rates for a greater or a lesser amount, within said limits, or over a longer or shorter term of loan, and such rates shall be computed on the full amount of the cash advance for the full term of the loan contract, notwithstanding any agreement to repay the loan in installments. Such charges shall be added to the cash advance and the resulting sum shall become the face amount of the note.

(2) For the purposes of computation, whether at the maximum rate or less, a month shall be that period of time from any date in a month to the corresponding date in the next month and if there is no such corresponding date then to the last day of such month, and a day shall be considered one-thirtieth of a month when such computation

is made for a fraction of a month. The portion of the charges applicable to any particular monthly installment period, as originally scheduled or following a deferment, shall bear the same ratio to the total charges, excluding any adjustment made pursuant to subsection (3) hereof, as the balance scheduled to be outstanding during that monthly period bears to the sum of all monthly balances scheduled originally by the contract of loan.

(3) A licensee and borrower may agree that the first installment date may be not more than fifteen days more than one month and the amount of such installment may be increased by one-thirtieth of the portion of the charges applicable to a first installment period of one month for each extra day.

(4) If one-half or more of any installment remains unpaid more than seven days after it is due, the licensee may charge and collect a default charge not exceeding two cents for each one dollar of the scheduled installment, and such charge may be collected for each full month thereafter the installment remains unpaid.

(5) If the payment of all wholly unpaid installments on which no default charge has been collected is deferred one or more full months, the licensee may charge and collect a deferment charge not exceeding two cents for each one dollar of the sum of the installments so deferred, multiplied by the number of months the maturity of the contract is extended; provided, however, that such number of months shall not exceed the number of installments which are due and wholly unpaid or due within fifteen days from the date of deferment. The deferment charge may be collected at the time of deferment or at any time thereafter. Any payment received at the time of deferment may be applied first to the deferment charge and the remainder, if any, applied to the unpaid balance of the contract, provided, however, that if such payment is sufficient to pay, in addition to the appropriate deferment charge, any installment which is in default and the applicable default charge, it shall be first so applied and any such installment shall not be deferred or subject to the deferment charge. At the time a deferment is made the borrower shall be given a statement or receipt showing the amount of the deferment charge, and the date and amount of the next scheduled payment and the number of remaining scheduled payments.

(6) If the contract of loan is prepaid in full by cash, a new loan or otherwise before the final installment date, the portion of the charges applicable to the full installment periods following the installment date nearest the date of prepayment shall be refunded. Any default or deferment charges which are due and unpaid may be deducted from such refund. The tender by the borrower or at his request of an amount equal to the unpaid balance less the required refund must be accepted by the licensee in full payment of the con-

tract. If judgment is obtained before the final installment date the contract balance shall be reduced by the refund which would be required for prepayment in full as of the date judgment is obtained. No refund of less than one dollar need be made; no refund for partial prepayments need be made.

(7) If two or more full installments are in default for one full month or more at any installment date and if the contract so provides, the licensee may reduce the contract balance by the refund or credit which would be required for prepayment in full on such installment date. Thereafter, in lieu of charging, collecting or receiving charges as provided in subsections (1) to (6) inclusive, charges may be charged, collected and received as provided by subsection (8) hereof until the contract is fully paid.

(8) In lieu of computing and collecting charges as provided in subsections (1) to (6) inclusive of this section a licensee may contract for, collect and receive on loans of eight hundred dollars or less charges not exceeding [three] *two and one-half* per cent per month on that part of the unpaid principal balance of the loan not in excess of one hundred fifty dollars and [two] *one and one-half* per cent per month on that part of the unpaid principal balance exceeding one hundred fifty dollars but not exceeding six hundred dollars and *three-fourth* of one per cent per month on that part of the unpaid principal balance exceeding six hundred dollars but not exceeding eight hundred dollars. Such charges shall not be paid, deducted, received in advance or compounded but shall be computed, collected and received only on unpaid principal balances for the time actually outstanding. The definition of a month and of a day in subsection (2) hereof shall apply for the purposes of such computations.

(9) If part or all of the consideration for a contract of loan is the unpaid principal balance of a prior loan with the same licensee then the principal amount payable under such contract of loan shall not include any unpaid charges on the prior loan except such charges which have accrued within sixty days before the making of such new contract of loan and may include the balance remaining after giving the refund required by subsection (6) hereof.

(10) In addition to the charges provided for in this chapter no further charge or amount whatsoever for any examination, service brokerage, commission, expense, fee, or bonus or other thing shall be directly or indirectly charged, contracted for, or received, except the lawful fees actually and necessarily paid out by the licensee to any public official for filing, recording or releasing in any public office any instrument securing the loan; the identifiable charge or premium for insurance provided for in KRS 288.560; or fees for noting or releasing a lien on or transferring a certificate of title to any motor vehicle offered as security for a loan made under this chapter. If any amount

in excess of the amounts authorized by this chapter is charged, contracted for or received, except as the result of an accidental or bona fide error, the contract of loan shall be void and the lender shall have no right to collect or receive any principal, charges or recompense whatsoever.

(11) No licensee shall induce or permit any borrower to split up or divide any loan nor permit any one borrower or any husband or wife individually or together to become indebted to him under more than one contract of loan at the same time if the actual amount of the indebtedness on any one of such contracts is in the amount or of the value of eight hundred dollars or less and there is charged, contracted for, or received thereon, directly or indirectly, by any device, subterfuge, or pretense whatsoever, any interest, or consideration therefor greater than would otherwise be permitted by this chapter.

(12) No licensee shall directly or indirectly charge, contract for or receive any interest or consideration greater than the lender would be permitted by law to charge if he were not a licensee hereunder upon any loan in the amount or of the value of more than eight hundred dollars, excluding charges, or in any case in which the licensee permits any individual as borrower, endorser, guarantor, or surety for any borrower, or otherwise, to owe on any loan or loans directly or contingently, or both, to the licensee at any time the sum of more than eight hundred dollars for principal, excluding charges.

HB 200, AN ACT relating to agriculture and animals.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 247.030 is amended to read:

(1) The experiment station shall make field experiments in order to ascertain by chemical and physical examination of soils and by direct experiments in laboratory and fields what crops and treatment are best suited to each type of soil, whether the present methods are tending to best results and to the preservation or reduction of fertility; what rotation and treatment will be most effective in retaining productive capacities of the soils of the various sections of the state and discover and demonstrate the best methods of marketing of fruits and vegetables.

(2) It shall conduct investigations calculated to develop the beef, pork and mutton producing interests of the state, and especially feeding experiments intended to demonstrate the most successful combination of stock foods, discovering, if possible, the most economical and successful methods of maintaining animals and fitting them for the market. It shall also conduct pathological investigations and investigate livestock conditions both at home and abroad, in so far as they affect market values.

(3) It shall conduct investigations for the purpose of developing the dairy interests of the state and undertake feeding experiments for production of milk and butter and the rearing of calves. It shall also study contagious diseases for the purpose of finding remedies for those diseases.

(4) It shall conduct investigations for the purpose of developing the horse interests of the state, and study the best methods of feeding and breeding, and diseases.

(5) It shall conduct experiments for the advancement of the poultry interests of the state and the economical production of poultry and eggs, including experiments in breeding for egg production and methods best adapted for hatching and raising of chicks.

[(6) It shall produce hog cholera serum and virus, which shall be furnished the farmers of this state at partial cost of production, not exceeding one cent per cubic centimeter, and be distributed through such channels as the director of the experiment station deems advisable for the protection of the swine interests of the state.]

(6) [(7)] It shall bring the scientific knowledge which it obtains concerning agriculture and home economics, to the farm and home by means of personal visitation, correspondence, cooperative demonstrations and experiments and the solution of local problems by station experts visiting the locality and studying the problems of the farm and home.

Section 2. KRS 257.075 is amended to read:

Swine for breeding *or feeding* purposes shall not be imported into Kentucky unless they are accompanied by a health certificate *or permit* issued by a graduate licensed veterinarian, showing them to have been immunized by *methods prescribed and approved by the board.* [either the serum-alone or the serum-simultaneous method.] The original of such certificate shall be attached to the waybill covering the shipment, and a duplicate thereof shall be forwarded to the office of the State Veterinarian. [If the serum-alone method is used, the certificate must show such treatment to have been administered within ten days immediately preceding date of shipment, or that the serum-simultaneous treatment shall have been administered at least thirty days prior to date of shipment.]

Section 3. KRS 257.130 is amended to read:

(1) No person shall use any serum, *vaccine, bacterin,* virus or other *biological* material containing the *transmissible agent* [germ] of glanders, Texas fever, hog cholera, *rabies,* [hydrophobia,] contagious pleuro-pneumonia, anthrax, black leg or anv other contagious *or infectious* disease, unless the serum, *vaccine, bacterin,* virus or other material has been approved by the *United States Department of*

Agriculture, [Bureau of Animal Industry of the United States Government,] the experiment station or the board.

(2) No person shall sell, purchase or use any material containing the live virulant virus of hog cholera except for supervised research and biological production authorized by the board.

Section 4. KRS 257.190 is amended to read:

(1) No person manufacturing [anti-hog cholera] serum, *vaccine, bacterin,* or virus or any other *biological* product used in the prevention or treatment of *livestock and poultry* [swine] diseases, shall sell such products or offer them for sale unless he pays or causes to be paid to the chairman of the board an annual license fee of fifty dollars and executes bond in the sum of five thousand dollars for faithful compliance with the regulations of the board. The bond shall be acceptable to the chairman of the board.

(2) No person shall knowingly purchase or use *any* [anti-hog cholera] serum, *vaccine, bacterin,* or virus or any other *biological* product used in the prevention or treatment of *livestock and poultry* [swine] diseases, manufactured and sold by any person who has not complied with subsection (1).

(3) This section shall not prohibit any pharmacist regularly licensed by this state, from selling in this state *any* [anti-hog cholera] serum, *vaccine, bacterin,* or virus or any other *biological* product used in the prevention or treatment of *livestock and poultry* [swine] diseases, which has been government inspected and approved, provided it is sold by a manufacturing concern licensed under this section.

Section 5. KRS 257.200 is repealed.

HB 368, AN ACT relating to employment of prisoners outside the walls of the institution.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 197.140 of the Kentucky Revised Statutes is amended to read as follows:

No prisoner who [has been sentenced for] *is serving a sentence for* rape, attempted rape, detaining a woman against her will, or who has escaped or attempted to escape *from an adult correctional institution within the past five years,* [or who has been convicted and sentenced more than twice], [or who has been convicted of highway robbery or bank robbery,] *or who has been convicted of armed robbery or armed assault with intent to rob where any injury has been inflicted upon any other person during the commission of the offense,* shall be worked or released for work outside of the walls of the prison. No prisoner who has been sentenced to life imprisonment shall be worked or released for work outside of the walls of the prison until he has actually served within the walls of the prison for at least one year of his sentence.

HB 458, AN ACT relating to fire prevention.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 74.414 of the Kentucky Revised Statutes is amended to read as follows:

(1) The commissioners of a water district, in order to abate possible health menaces in their area and to increase the consumption of water in the area, or whenever such commissioners deem it to be for the general benefit of the water district, shall have the authority to contract with any city, water district or sewer construction district, or other incorporated municipality or district, to provide for the operation of a water system, or a sanitary sewer system, or both, regardless of whether or not such water district operated by said board of commissioners has or will acquire any ownership rights in such systems to be so operated, upon such terms and conditions as such board of commissioners may deem appropriate, with or without any consideration being paid to or received by such water districts, other than the general benefit which may accrue to the water district from haivng more water or sewer customers and consequent increased use of water or sewer service.

(2) The commissioners of a water district in order to provide adequate means of fire protection, may require minimum fire hydrant spacing for new or extended water lines within their area.

Section 2. Section 138.470 of the Kentucky Revised Statutes is amended to read as follows:

There is expressly exempted from the tax imposed by KRS 138.460:

(1) Motor vehicles sold to the United States or the Commonwealth of Kentucky.

(2) Used motor vehicles registered or licensed in this state during the same or immediately preceding license period.

(3) Motor vehicles of a classification eligible for aid from the Commonwealth of Kentucky under the provisions of KRS 17.210 through 17.270.

Section 3. Section 67.320 of the Kentucky Revised Statutes is amended to read as follows:

(1) The fiscal court of any county within this Commonwealth may maintain a fire department for the purpose of protecting the

property of the county and citizens thereof who reside outside of any municipality wherein a fire department is being maintained.

(2) If any county elects to operate a fire department the fiscal court may purchase whatever equipment is necessary for said purpose and is further authorized to lease or purchase any property or building necessary for the storing of said equipment, and the person or persons in said fire department or operating said equipment. The said fiscal court is authorized to employ a sufficient number of persons deemed necessary for the purpose of carrying out the provisions of this section. If the fiscal court elects to operate a fire department then the court is authorized to fix salaries of the persons employed and to pay said salaries in monthly payments out of the general fund of the county. The budget commission of any county electing to operate under this section is authorized and directed to set out in said budget a sum sufficient to defray the expenses of said department.

(3) That the fiscal court of any county may maintain a fire protection program and contract with city fire departments, fire prevention districts established under authority of Chapter 75 of the Kentucky Revised Statutes, and other organized fire departments, including volunteer fire departments. The fiscal court may obtain property for said departments under the authority of KRS 67.085.

Section 4. Section 227.230 of the Kentucky Revised Statutes is amended to read as follows:

The commissioner shall appoint a state fire marshall and such deputy fire marshals, assistants and employes as are necessary to carry out the purposes of KRS 227.200 through 227.400. The state fire marshal, under the general direction of the commissioner, shall enforce and administer the provisions of KRS 227.200 to 227.400 and rules and regulations issued hereunder. The chief of each [city] fire department and the sheriff of each county shall be deemed deputies when ordered by the commissioner to act as such for their respective cities and counties. *Other deputy fire marshals may be appointed from the members of the fire department as the state fire marshal deems necessary.*

Section 5. Section 227.240 of the Kentucky Revised Statutes is amended to read as follows:

The deputy fire marshal [for any city or county in which fire loss occurs] shall immediately investigate the origin and circumstances of [the] *a* fire *in his area* and determine the cause of the fire so far as practicable. If it appears to the deputy that the fire is of suspicious origin he shall immediately notify the department.

Section 6. Section 227.320 of the Kentucky Revised Statutes is amended to read as follows:

[KRS 227.200 to 227.400 shall not deprive the authorities of any county, city or other political subdivision of any power or jurisdiction over any property.] *The authorities of any county, city or other political subdivision may adopt and enforce the Standards of Safety promulgated by the Commissioner of Public Safety.* Whenever the commissioner, by rules and regulations prescribes a standard of safety from fire loss, such rules and regulations shall establish a minimum requirement concerning the matters covered thereby and shall be so construed in relation to any local rules and regulations.

Section 7. Section 227.380 of the Kentucky Revised Statutes is amended to read as follows:

(1) Whenever the chief of the fire department [of a city] or any officer or member of his department designated by him for that purpose, finds any property which, for want of repairs, lack of sufficient fire escapes, age, delapidated condition or any other cause, or whenever an officer finds in any property [,] combustible or explosive matter or inflammable materials likely to result in fire loss, he shall order it to be remedied. The order shall forthwith be conformed to by the owner of the property.

(2) The owner may appeal to the commissioner within ten days following receipt of the order. The commissioner shall, within twenty days, review the order and file his decision. The order shall remain in full force until it is revoked or modified by the commissioner.

Section 8. Section 277.500 of the Kentucky Revised Statutes is amended to read as follows:

A city or county may fix a penalty for the violation of any ordinance or resolution passed under the provisions of KRS [227.450] *227.200* to 227.500, a fine of not less than ten dollars nor more than one hundred dollars, or imprisonment for not more than fifty days, or both.

Section 9. Whereas, it is of great importance in the prevention of fires that the increased precautions authorized by this bill be exercised at once by the proper authorities, an emergency is declared to exist and this act shall become effective upon its passage and approval by the Governor.

HB 459, AN ACT relating to Fire Protection Districts and to Volunteer fire department districts.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 75.010 of the Kentucky Revised Statutes is amended to read as follows:

(1) Upon a petition signed by at least fifty-one percent of the voters, as determined by the registration books covering such territory, and living within the boundary of a proposed fire protection district *or volunteer fire department district* filed in the circuit court clerk's office of the county in which the greater part of such territory is located, not less than twenty days before the commencement of the next regular term of said court, and in courts of continuous sessions not less than twenty days before the first day of the next calendar month, notice of the filing of such petition and the object thereof having been published in two issues of some newspaper of general circulation in the county, and by notices posted for at least ten days before the commencement of the said court, one at the courthouse door, and three others at public places within the bounds of the proposed fire protection district *or volunteer fire department district,* the petition setting out the metes and bounds of the proposed fire protection district *or volunteer fire department district,* the number of voters, thereof, and such other facts as may be thought proper, on the second day of the term, and in courts of continuous session on the day provided for in such notice, the court shall, if the proper notice has been given, and publication made, and no written objection, remonstrance or defense is interposed, enter a judgment establishing a fire protection district *or a volunteer fire department district* in accordance with the prayer of the petition, naming it, and describing the boundary thereof by metes and bounds. Defense, objection or remonstrance may be made to the petition by any inhabitant of the proposed fire protection district *or a volunteer fire department district,* or any person owning property therein, and if defense, objection or remonstrance is made, the court shall hear and determine the same, and render a judgment establishing or refusing to establish the fire prevention district *or volunteer fire department district* as may seem proper. The pleadings and practice as herein provided shall be the same as in equity cases, as nearly as may be practicable, with right of appeal to the Court of Appeals in accordance with the Rules of Civil Procedure. Such appeal shall be advanced upon the docket.

(2) In no event shall any fire protection district *or any volunteer fire department district* include within its metes and bounds any territory at that time or thereafter included in any city of this Commonwealth *which maintains a "regular fire department"*, and which city has paid its proportionate share of the indebtedness incurred while such territory was a part of that district.

Section 2. Section 75.020 of the Kentucky Revised Statutes is amended to read as follows:

(1) The territorial limits of an established fire protection district, *or a volunteer fire department district,* as established under KRS 75.010 to 75. 080, may be enlarged or diminished in the following way: The *trustees* of the fire protection district [trustees] *or of the volunteer*

fire department districts shall file a petition in the circuit court clerk's office of the county in which that district and the territory to be annexed or stricken off, or the greater part thereof, is located, not less than thirty days before the next regular term of said court and in courts of continuous session not less than thirty days before the first day of a succeeding calendar month, describing the territory to be annexed or stricken and setting out the reasons therefor. Notice of the filing of such petition shall be given by publication and posting in the same manner as provided for in KRS 75.010. On the second day of the term, and in courts of continuous session on the day fixed in the notice, the court shall, if the proper notice has been given, and the publication made, and no written defense, objection or remonstrance is interposed enter a judgment annexing or striking off the territory described in the petition. Fifty-one percent or more of the freeholders of the territory sought to be annexed or stricken off may, at any time before the next regular term of said court, and in courts of continuous session at any time before the date fixed in the notice, remonstrate in writing, filed in the clerk's office, to the action proposed. If such written remonstrance be filed said clerk shall promptly give notice to the trustees of the fire protection district, *or of the volunteer fire department district,* and the court shall promptly set the case for a hearing. If upon such hearing, the court finds from the evidence that a failure to annex or strike off such territory will materially retard the functioning of the fire protection district *or the volunteer fire department district* and materially affect adversely the owners and the inhabitants of the territory sought to be annexed or stricken off, it shall enter a judgment, granting the annexation or striking off the territory. In the latter event, no new petition to annex or strike off all or any part of the same territory shall be entertained for a period of two years. The pleadings and practice herein provided shall be the same as in equity cases, as nearly as may be practicable, with right of appeal to the Court of Appeals in accordance with the Rules of Civil Procedure. Such appeal shall be advanced upon the docket.

(2) The property in any territory annexed to a fire protection district *or to a volunteer fire department district* shall not be liable to taxation for the purpose of paying any indebtedness incurred by the fire protection district *or the volunteer fire department district* prior to the date of the annexation of such territory, except such indebtedness as represents balance owing on purchase price of fire fighting equipment. The property in any territory stricken off from a fire protection district *or a volunteer fire department district by the incorporation of our annexation by a city of this Commonwealth* shall not be relieved of liability of such taxes as may be necessary to pay its proportionate share of the indebtedness incurred while such territory was a part of that district. [, except such indebtedness as represents balance owing on purchase price of fire fighting equipment then available for use by the remaining territory.] *Territories stricken by*

action of the court under the provisions of KRS 75.020 (1) shall be relieved of liability for all indebtedness incurred by the fire protection district or the volunteer fire department district.

Section 3. Section 75.030 of the Kentucky Revised Statutes is amended to read as follows:

(1) Upon creation of a fire protection district *or a volunteer fire department district* as provided in KRS 75.010; it shall be the duty of the county judge of the county in which the greater part of the district is located to appoint three trustees, who shall constitute the Board of Trustees of the fire protection district *or the volunteer fire department district.* The members shall be appointed for terms of one, two and three years respectively, on the expiration of the respective terms, the successors to each shall be appointed for a term of three years. In the event of a vacancy in any term, and there are two remaining trustees, the remaining trustees shall elect a trustee to fill such vacancy. If there are less than two trustees remaining the county judge shall fill such vacancies. *The office of trustee and the office of chief of a fire department are incompatible. Appointment and acceptance shall constitute a vacancy of the former office of trustee or chief.*

(2) Such trustees shall elect from their number a chairman, a secretary and a treasurer, the latter of whom shall give bond in such amount as shall be determined by the county judge of the county in which the greater part of the fire protection district *or the volunteer fire department district* is located, conditioned upon the faithful discharge of the duties of his office, and the faithful accounting for all funds which may come into his possession as such treasurer. The premiums on said bonds shall be paid out of the funds of the district.

Section 4. Section 75.040 of the Kentucky Revised Statutes is amended to read as follows:

(1) Upon the creation of a fire protection district *or a volunteer fire prevention district* as provided in KRS 75.010 to 75.030 the trustees of such district are hereby authorized to establish and operate a fire department in such district and to levy a tax upon the property in said district, *including that property within cities in a fire protection district or a volunteer fire department district,* as provided by KRS 75.010 (2) provided that said property is subject to county tax, and not exceeding ten cents per one hundred dollars of valuation as assessed for county taxes, for the purpose of defraying the expenses of such establishment, maintenance and operation of said fire department or to make contracts for fire protection for such districts as provided in KRS 75.050.

(2) The county tax commissioner of the county or counties in-

volved, with the cooperation of the Board of Trustees, shall note on the tax rolls the taxpayers and valuation of the property subject to such assessment. The county clerk shall compute the tax on the regular state and county tax bills in such manner as may be directed by regulation of the Department of Revenue.

(3) Such taxes shall be subject to the same delinquency date, discounts, penalties and interest as are applied to the collection of ad volorem taxes and shall be collected by the sheriff of the county or counties involved and accounted for to the treasurer of the district. The sheriff shall be entitled to a fee of one percent of the amount collected by him.

Section 5. Section KRS 75.060 of the Kentucky Revised Statutes is amended to read as follows:

All municipal *firemen,* fire protection district firemen, *and volunteer fire department firemen,* full-paid or volunteer, attending and serving at fires or doing fire prevention work outside the corporate limits of a municipality, [or the limits of] fire protection district[s], *or volunteer fire department district* as provided in KRS 75.050, *or area normally served by a volunteer fire department,* shall be considered as serving in their regular line of duty as fully as if they were serving within the corporate limits of their own municipality [or], fire protection district, *or area normally served by a volunteer fire department,* but full-paid firemen shall receive no additional compensation and volunteer firemen shall receive only such compensation as may be provided for by ordinance or resolution in such cases, and all such firemen shall be entitled to all benefits of any pension fund, in the same manner as if the firefighting or fire prevention work had been within the corporate limits of the municipality [or] , *or area normally served by a volunteer fire department.*

Section 6. Section 75.070 of the Kentucky Revised Statutes is amended to read as follows:

(1) A municipal [or] *fire department,* fire protection district fire department, *and volunteer fire department and the personnel of each,* answering any fire alarms [or] , performing fire prevention services, *or other duly authorized emergency services inside and* outside of the corporate limits of its municipality [or], fire protection district, *or area normally served by a volunteer fire department,* shall be considered an agent of the Commonwealth of Kentucky, and acting solely and alone in a governmental capacity, and such municipality [or], fire protection district, *or area normally served by a volunteer fire department,* shall not be liable in damages for any omission or act of commission or negligence while answering *an alarm, performing fire prevention services, or other duly authorized emergency services.* [or returning from any fire or reported fire, or doing or performing

any fire prevention work under and by virtue of KRS 75.010 to 75.060.]

(2) No municipal *fire department,* [or] fire protection district fire department *or volunteer fire department* answering any fire alarms [or], performing fire prevention services *or volunteer fire department services* inside the corporate limits of the district shall be liable in damages for any omission or act of commission or negligence while answering or returning from any fire or reported fire, or doing or performing any fire prevention work under and by virtue of this chapter and said fire departments shall be considered agents of the Commonwealth of Kentucky, and acting solely and alone in a governmental capacity.

Section 7. Section 75.080 of the Kentucky Revised Statutes is amended to read as follows:

The trustees of any fire protection district wherein water pipes have been constructed and are maintained in the public ways thereof may by resolution duly adopted cause the erection of fire hydrants and attachments to said water pipes in the public ways, after the trustees have made a written contract for water to be furnished for use in said hydrants. The cost of such erection and attachment shall be apportioned by said trustees against the owners of the property fronting the public ways in which said fire hydrants are erected, by any equitable mode of apportionment which said board of trustees may prescribe in the resolution ordering the erection of said fire hydrants and a lien shall exist against the property against which the apportionment runs for the cost of usch improvement in the amount of such apportionment and interest thereon at the rate of six percent per annum, said lien being enforceable by proceedings in court. The erection and installation of such fire hydrants [shall] *may* be under contract let to the lowest and best bidder after advertisement of one insertion for two successive weeks in a newspaper of general circulation in the fire protection district.

Section 8. Section 75.100 of the Kentucky Revised Statutes is amended to read as follows:

As used in KRS 75.100 to 75.270, unless the context requires otherwise:

(1) "Chairman" means the Chairman of the Board of Trustees of a fire protection district organized under the provisions of KRS 75.010 to 75.080 [.], *or the Chairman of the governing board of a volunteer fire department.*

(2) "Fire protection district" means fire districts organized under Chapter 75 of the Kentucky Revised Statutes.

(3) "Board" means the Board of Trustees of a fire protection

district organized under Chapter 75 of the Kentucky Revised Statutes [.] *and the governing board of a volunteer fire department.*

(4) "Fire Department" means the officers, firemen and clerical or maintenance employes, including the chief and assistant chief of the department.

(5) "Chief" means the chief of the fire department of a fire protection department organized under Chapter 75 of the Kentucky Revised Statutes [.] *and* of a volunteer fire department.

(6) "Employes" means all persons employed by the Board of Trustees of a fire protection district organized under Chapter 75 of the Kentucky Revised Statutes [.] *and of a volunteer fire department.*

(7) "Member" shall include the chief and all officers and employees of a fire department [of] , a fire protection district [.] *or of a volunteer fire department.*

(8) "Salary" means any compensation received for services.

(9) "Suspension" means the separation of an employee from the service for a temporary or fixed period of time, by his appointing authority, as a disciplinary measure.

(10) "Dismissal" means the discharge of an employe by lawful authority.

(11) "Trustees" means the Board of Trustees of a fire protection district [.] *and of a volunteer fire department.*

Section 9. Section 75.110 of the Kentucky Revised Statutes is amended to read as follows:

(1) The chairman may, if in his discretion there is a case of need, appoint special firemen to do special duties any place within the limits of the fire protection district, *or area normally served by a volunteer fire department,* on terms he deems proper.

Section 10. Section 75.180 of the Kentucky Revised Statutes is amended to read as follows:

(1) The chief [or] , assistant chief, *or highest officer present at the fires answered by his department shall investigate their causes.* [of the fire department in fire protection districts shall be present at all fires answered by his department and investigate their causes.] He may examine witnesses, compel the testimony of witnesses, administer oaths, compel production of evidence and make arrests as provided in KRS 75.160. He may enter any building at all reasonable times for the purpose of examining the building if, in his opinion the building is in danger of fire. He shall report his findings, *when requested,* to the board, [when required] *Kentucky Inspection Bureau, and Office of the State Fire Marshall.*

(2) The chief of the fire department [in fire prevention districts] shall direct and control the operation of the fire department and the control of the members in the discharge of their duties. He, and members of the fire department shall have access to and the use of all cisterns, fireplugs, the waters of the waterworks of private persons and cisterns of private persons for the purpose of extinguishing fires and shall have the power to examine these water supplies at all reasonable times to see that they are in condition for use in case of fire. The chief shall have control of all hose, buildings, engines and other equipment provided for the fire department under direction of the board, or those authorized by the board to exercise this direction, and shall perform such other duties prescribed by the board not inconsistent with law. Upon application within ten days to the board, any owner of property where water is used for fire fighting shall be reimbursed in a reasonable amount by the board for water used.

Section 11. Section 75.190 of the Kentucky Revised Statutes is amended to read as follows:

(1) All fire apparatus and other vehicles of the fire department, [of a fire protection district,] and all [automobiles of members and volunteers of said fire departments and the automobiles of other employes of the fire protection district, including automobiles of the trustees,] *duly authorized automobiles of members and firemen using warning lights and sirens,* shall have the right of way on any highway over all vehicles except those carrying the U. S. Mails, with due regard to the safety of the public.

(2) No person shall refuse the right of way to any of the above named vehicles while said vehicles are being operated in the line of performance of duty by the operator and any person violating any of the provisions of this section shall be fined not less than twenty nor more than five hundred dollars for each offense.

Section 12. Section 75.210 of the Kentucky Revised Statutes is amended to read as follows:

(1) It shall be unlawful for any person to follow closer than two thousand yards behind any fire apparatus or vehicle of a [fire protection district] fire department including the automobiles of those authorized the right of way of KRS 75.190 while the vehicles are being operated in the performance of duties prescribed in this chapter.

(2) It shall be unlawful for any person to park any vehicle within one thousand yards of any fire apparatus or on any highway or other right of way when fire apparatus is engaged in fighting a fire and no person shall block the highway or other right of way leading to or from any place where there is a fire.

(3) Any person violating any of the provisions of this section

shall be fined not less than twenty nor more than five hundred dollars for each offense.

Section 13. Section 75.220 of the Kentucky Revised Statutes is amended to read as follows:

(1) Upon observing warning lights or hearing warning signals of any emergency vehicle, which shall include fire apparatus and vehicles of all kinds of a fire [protection district] *department,* ambulance, police cars, sheriffs' cars, cars of firemen and volunteers and others authorized by the board to have the right of way, while all mentioned vehicles are being operated in the line of duty, all operators of vehicles on the highways or other right of way shall immediately pull to the right as far as possible and come to a complete stop until such emergency vehicle has proceeded past for at least two thousand yards.

(2) Any person violating any of the provisions of this section shall be fined not less than twenty nor more than five hundred dollars for each offense.

Section 14. Section 75.230 of the Kentucky Revised Statutes is amended to read as follows:

(1) The board may issue permits to all firemen, volunteer firemen and employees of the fire [protection district] *department* to place and use warning lights and sirens on their private automoblies for use while in performance of duty only.

(2) Permits granted pursuant to subsection (1) of this section shall be in writing and kept by the operator of the vehicle in the vehicle. Said permits shall be taken up and destroyed by the board when the person having the permit is no longer employed by the board.

(3) Any person using warning lights and sirens while not in the performance of duty in the fire protection district, *or area normally served by his volunteer fire department including duly authorized emergency service outside the normal territorial limits of his department,* shall be fined not less than twenty nor more than five hundred dollars and subject to disciplinary action under the provisions of KRS 75.130.

Section 15. Section 75.240 of the Kentucky Revised Statutes is amended to read as follows:

The secretary of the board shall keep a minute book, appropriately bound and marked, in which the minutes of each meeting of the board shall be kept, together with all resolutions, tax levies, and other important material the board may designate. [The book shall] *A copy of all material required to be kept by the secretary,* shall be kept on file in the office of the clerk of the county in which the greater part of the fire protection district *or volunteer fire department district* lies. The public shall have the right to inspect the book and its contents at all times.

Section 16. Whereas, there now exists confusion as to the duties of firemen in different districts, and inequities in the protection and benefits offered them in the various districts, an emergency is declared to exist and this act shall take effect upon its passage and approval by the Governor.

HB 383, AN ACT relating to income taxes.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. (1) The term "expenses of higher education" means:

(a) Tuition and fees required for the enrollment or attendance of a study at a level above the twelfth grade at an institution of higher education, and

(b) Fees, books, supplies, and equipment required for courses of instruction above the twelfth grade at an institution of higher education. Such term does not include any amount paid, directly or indirectly, for meals, lodging, or similar personal, living, or family expenses. In the event an amount paid for tuition or fees includes an amount for meals, lodging, or similar expenses which is not separately stated, the portion of such amount which is attributable to meals, lodging or similar expenses shall be determined under regulations prescribed by the Commissioner of Revenue.

(2) The term "institution of higher education" means an educational institution (as defined in Section 151 (e) (4) of the Internal Revenue Code of the United States.

(a) Which regularly offers education at a level above the twelfth grade, and

(b) Contributions to or for the use of which constitute charitable contributions within the meaning of Section 170 (c) of the federal Internal Revenue Code.

Section 2. (1) There shall be allowed to an individual, as a credit against the tax imposed by KRS Chapter 141 for the taxable year, an amount, determined under subsection (2) of this section, of the expenses of higher education paid by him during the taxable year to one or more institutions of higher education in providing an education above the twelfth grade for himself or for any other individual.

(2) The credit for expenses of higher education of any individual paid during the taxable year shall be an amount equal to the sum of:

(a) 75 percent of so much of such expenses as does not exceed $200,

(b) 25 percent of so much of such expenses as exceeds $200 but does not exceed $500, and

(c) 10 perent of so much of such expenses as exceeds $500 but does not exceed $1,500.

(3) If expenses of higher education of an individual are paid by more than one taxpayer during the taxable year, the credit allowable to each such taxpayer shall be the same portion of the credit determined under subsection (2) of this section which the amount of expenses of higher education of such individual paid by the taxpayer during the taxable year is of the total amount of expenses of higher education of such individual paid by all taxpayers during the taxable year.

(4) The credit for expenses of higher education of any individual paid during the taxable year, shall be reduced by an amount equal to 1 percent of the amount by which the adjusted gross income of the taxpayer for the taxable year exceeds $25,000.

Section 3. (1) The amounts otherwise taken into account as expenses of higher education of any individual during any period shall be reduced, before the application of Section 2 of this Act, by any amounts received by such individual during such period as:

(a) A scholarship or fellowship grant (within the meaning of Section 117 (a) (1) of the United States Internal Revenue Code) which under Section 117 of the Internal Revenue Code is not includible in gross income, and

(b) Education and training allowance under Chapter 33 of Title 38 of the United States Code or educational assistance allowance under Chapter 35 of such title.

Section 4. Amounts paid for expenses of higher education of any individual shall be taken into account:

(1) In the case of an individual who is a candidate for a baccalaureate or higher degree, only to the extent such expenses are attributable to courses of instruction for which credit is allowed toward a baccalaureate or higher degree, and

(2) In the case of an individual who is not a candidate for a baccalaureate or higher degree, only to the extent such expenses are attributable to courses of instruction necessary to fulfill requirements for the attainment of a predetermined and identified educational, professional, or vocational objective.

Section 5. No deduction shall be allowed, as prescribed in Section 162 of the Internal Revenue Code (relating to trade or business expenses) for any expense of higher education which (after the application of subsection (2) of Section 2 of this Act) is taken into account in determining the amount of any credit allowed under subsection (1) of Section 2 of this Act. The preceding sentence shall not apply to the expenses of higher education of any taxpayer who, under regulations prescribed by the Commissioner of Revenue, elects not to apply the provisions of this section with respect to such expenses for the taxable year.

Section 7. The Commissioner of Revenue shall prescribe such regulations as may be necessary to carry out the provisions of this Act.

Announcement

Senator Gardner, Chairman, announced a meeting of the Rules Committee for 12:30 P.M., Tuesday, March 17, in Room 327.

Senator Gardner moved that the Senate adjourn until 3:00 P.M., Tuesday, March 17. Agreed.

TUESDAY, MARCH 17, 1964

FIFTY-SEVENTH LEGISLATIVE DAY

The Senate was called to order by the President.

Prayer by the Reverend John Hunt of the South Frankfort Presbyterian Church of Frankfort.

The roll was called. All Senators were present.

Reading of the Journal for March 16 dispensed with and the same approved on motion of Senator McCann.

House Message

Announcing passage of **HB 91, HB 179, HB 214, HB 360, HB 472, HB 475, HB 479, HB 481, HB 483, HB 493, HB 484, HB 494, HB 410, HB 452, HR 112, HR 117.**

Report on Enrolled Bills

Committee on Enrollment reported that **HB 22, HB 111, HB 27, HB 133, HB 140, HB 347, HB 309, HB 141, HB 118, HB 325** had been examined and found correctly enrolled. **HB 22, HB 111, HB 27, HB 133, HB 140, HB 347, HB 309, HB 141, HB 118, HB 325** read at length, compared, and signed in open session by the President. Ordered delivered to the House.

Calendar

HB 397, HB 400, HB 435, HB 253, HB 199, HB 404, HB 405, HB 455, HB 367, with Committee Amendment, **HB 109, HB 419, HB 296, HB 392, HB 451, HB 418, HB 403, HB 453, HB 322, HB 323, HB 164, SB 260, SB 114,** with Committee Substitute, **HB 200, HB 368, HB 458, HB 459, HB 383** taken from the Calendar and ordered read at length for the second time. Senator Gardner moved that they be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

Senator Ware moved that the Senate be resolved into a Committee of the Whole for the purpose of hearing Lieutenant Governor Waterfield, President of the Senate. Agreed.

The President vacated the chair, Senator Ware, President Pro Tempore, presiding.

Lieutenant Governor Waterfield addressed the Committee of the Whole as follows:

I have asked the Senate to resolve itself into a Committee of the Whole in order that, as a member of the Committee and not as the presiding officer of the Senate, I might take my place upon the floor of the Senate to express my views on House Bill #145, the strip mine bill.

I would also appreciate the opportunity to express my views on the conservation of our natural resources *generally.*

Throughout this session of the General Assembly there has been a minimum of controversy and confusion in the Senate.

The Senate has acted in substantial agreement on all matters that have come before it. I have tried, as best I could, to preside over the Senate in such manner as would afford to each member a full opportunity to express his views freely and to represent his constituents vigorously. If I have failed it has not been because of any conscious effort to shut off debate or to deal unfairly with any member of the Senate.

On one occasion when we had acted unanimously on a bill which you thought, and I thought, was constructive and which had the full approval of the Executive branch of the government, our efforts were defeated when the Executive branch of the government decided that, for a reason which by now is clear to all members of the Senate, it would be hampered in the proper discharge of its duties. I spoke out against such treatment. I believe that all affairs of government should be conducted under the close scrutiny of those who properly are designated to scrutinize it. I see no reason to exclude from an important place in government the minority political party and its members. They, too, are Kentuckians and they, too, have the right to know.

Any effort to conceal any aspect of the operations of the state government brings suspicion and distrust. The government that does not earn and keep the confidence of its people will fail.

I had never thought that any Kentuckian who is passingly familiar with my record in the Legislature and in public service would doubt my devotion to the cause of conservation. Through the years that I have served as a legislator I have sponsored and given leadership to every worthwhile measure designed to conserve the natural resources of the Commonwealth. It is probably true that I have not done enough.

It is probably true that none of us has done enough in the field of conservation and in a dozen other fields of government where much remains to be done. Perhaps we shall never do enough. But the real question is this: Have we done all we could do within the limitations within which we had to work? Have we done all we could against the background, the time, the climate that surrounded our efforts? Have we been faithful in the use of those things with which, for a season, we are entrusted?

Have we, when given an opportunity for leadership, been reasonably diligent in exercising our public responsibilities?

These are the standards by which a man should be judged and these are the standards by which I am perfectly willing to be judged. This is the area in which I believe this Senate seeks to be judged.

Now, what about the conservation of our natural resources?

There are many kinds of conservationists. *Some* talk of conservation and do no more. *Some write* of conservation, and do no more. *Some practice* conservation as they may have an opportunity. They match their words and their writings with their deeds and their efforts and their labor and their money.

I hope you will be patient enough to permit me to tell you of my small contribution to the conservation of a small bit of real estate which I call my own.

As a farmer and a landowner in Hickman and Leslie and Harlan Counties, Kentucky, I have always been aware of the necessity of preserving the land and of guarding the rights of future generations.

Only a fool or a hypocrite in the light and knowledge of my background and lifetime dedication to worthwhile conservation practices would accuse me of taking a position indicating that I favor a rape of the land.

I am taking this opportunity today to illuminate the path of actuality for both the writer who accused me and any of his believing readers, although the bright beam of truth may temporarily blind a scribe so accustomed to darkness.

This same editorial writer has said, without qualifciation, that I am a strip miner. That is not true. He has also said that I do not favor solid strip mine legislation. And that is not true.

Now, we have before us a bill which deals with strip mining, the extraction of minerals from our soil by removing the top soil in such manner as will permit the minerals to be taken out. I have heretofore disclosed to this Senate my personal interest in the subject matter of this bill. I have examined this legislation and at the conclusion of these remarks, and at the time this bill is on its passage, if I were a member of the Senate, I would vote for it. I would vote for it, however, in the knowledge that it is vague and inadequate.

I would vote for it in the full knowledge that it provides a larger fund for the employment of policemen, who may or may not be qualified to supervise a tremendous industry; in the knowledge that it erects very few standards by which either the stripper or the owner may be governed.

I believe this bill to be a step in the right direction, but it is a *very short step.* I hold the view that legislation should be of *sufficient clarity to permit* those who are regulated *by it to read the law itself* and *know what is expected of them.* This bill, in that regard, fails.

I am concerned, I am alarmed at the ever-increasing cost by appropriation from the general fund or by extraction of fees from businesses and professions to further expand bureaucracy and government by regulation and decree.

I am sick unto death of those people who, in their comment, verbal or written, on public affairs are content only to criticize, to point up a problem, but suggest no answer. We all know the problem; it is the answer that Kentucky needs desperately.

Since I am President of this Senate and Chairman of the Legislative Research Commission, let me tell you how I would approach the problem.

(1) I would approach the problem as one which involves several states, all of Appalachia, mind you, and West Kentucky, too, in which strip mining is or could be an important industry. I would be aware of the fact that forces of competition, economy, employment and the necessity to consreve for future generations that which we have are the dominant considerations.

(2) I would enlist the aid and assistance of the best experts that could be found to draft a uniform strip mining act, and I would call upon the Federal Government, the Council of State Governments and such other agencies or commissions as could assist in effectuating a workable and realistic conservation program of our greatest natural resource.

(3) The Legislative Research Commission by statute is designated as Kentucky's commission on interstate cooperation and is charged in KRS 7.110 (3) with the duty to "encourage and arrange conferences with officials of other states and other units of government and formulate proposals for cooperation between this state and other states."

When a model act had been formulated, I would propose that we seek an interstate compact that would provide uniform regulations of the coal industry in each state that has an interest in the subject matter.

I am for House Bill #145, and I am asking this Senate, after you have passed this House Bill #145, to adopt a concurrent resolution, which I believe will be offered today, directing the Legislative Research Commission to study the feasibility of an interstate compact on a uniform law on strip mining.

Let us then ask the legislatures of those states to join with the Legislature of Kentucky in a uniform body of laws that would set at rest this troublesome prbolem for all time to come.

In my opinion no other approach to this problem will accomplish its ultimate solution. It will recur time and time again, and it can not be solved by separate treatment.

Kentucky is not without experience or precedent in such an undertaking. The Press recently reported the dramatic success, in a decade or so, of the elimination of stream pollution by the joint cooperation of many states in the valley through which these streams flowed. There are many other such compacts in various subjects of government. The time has passed when a single state can regulate affairs and industries that are not strictly localized—and few of them are.

There is interest and talent in this subject and in this legislation in the General Assembly of Kentucky. The men who fashioned and sponsored this bill in the House are hghly capable and completely competent to tackle the subject matter on a larger scale and in a wider scope. They should have the opportunity. I hope they will have it.

In addition, I favor this General Assembly by resolution taking such action that will insure the proper administration of the bill. All of us recognize, in good reason and in honesty, that the existing law on strip mining has become outmoded. All of us, in like good reason and in honesty, can observe serious deficiencies in the administration of the existing law.

The passage of new legislation in itself will not suffice. We need proper administration. We need thorough administration of this program. Legislation without proper enforcement is no better than a medicinal prescription that is never administered. Neither will cure an ailment.

And lastly, all Kentuckians need an honest presentation in the news media with respect to the adequacy of our law, to the adequacy of its administration, and honest factual presentation of those additional steps which we might take to guarantee sound laws and sound administration.

I have some limited personal knowledge of the problems connected with the publication of a newspaper; but one distinct advantage we have on the small Hickman County Gazette is that all members of the staff read all sections of the paper. Recent statements in our largest paper in the state indicate that the editorial staff does not necessarily familiarize itself with the facts that are carried in the news section elsewhere in the paper.

Senator Kidwell moved that the Committee as a Whole arise. Agreed.

Orders of the Day

HB 145 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Howard offered Amendment #1 to **HB 145** and moved its adoption.

Senators Howard and Moberly requested a roll call on Senator Howard's motion. Agreed.

On the roll call the vote was yeas 5—Buckman, Gay, Howard, Mann, Mobley. Nays 31—Billington, Blue, Bonn, Brizendine, Cobb, Derickson, Duffy, Duncan, Edwards, Fuqua, Gardner, Garrett, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, McCann, McGinty, Miller, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware.

The motion to adopt Amendment #1 to **HB 145** was rejected.

Senator Gardner moved the Previous Question on **HB 145.** Agreed.

On the roll call the vote was yeas 37—Billington, Blue, Bonn, Brand, Brizendine, Buckman, Cobb, Derickson, Duffy, Duncan, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, Howard, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Miller, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 1—Mobley.

HB 145 was passed and the title agreed to.

Senator Gardner moved that the vote by which **HB 145** was passed be reconsidered and that said motion be laid on the table. Agreed.

Senator Gardner moved that the Rules be suspended for the purpose of introducing resolutions. Agreed.

Introduction of Resolutions

SR 53, by Senator Gardner: A CONCURRENT RESOLUTION directing the Legislative Research Commission to study the feasibility of an interstate compact on strip mining.

WHEREAS, the problems of strip and open-pit mining operations are of concern to the General Assembly and to the legislatures in several other states; and

WHEREAS, the Legislative Research Commission by statute is designated as Kentucky's commission on interstate cooperation and is charged in KRS 7.110 (3) with the duty to "encourage and arrange conferences with officials of other states and of other units of government . . . and formulate proposals for cooperation between this state and other states."

NOW, THEREFORE,

Be it resolved by the Senate of the Comonwealth of Kentucky; the House of Representatives concurring therein:

Section 1. That the Legislative Research Commission is directed to arrange the necessary conferences and to secure the necessary cooperation of other states with a view of examining the feasibility of an interstate compact on strip mining.

Section 2. That in the conduct of this study, the Legislative Research Commission shall avail itself of the facilities of the Council on State Governments and of the assistance of such other Kentucky state agencies as the commission deems necessary to effectuate its mandate under this resolution.

Section 3. That the Legislative Research Commission shall report its findings and recommendations on the feasibility of an interstate compact on strip mining to the 1966 regular session of the General Assembly, together with draft proposals for an interstate compact if such an approach to the problem of strip mining is found to be feasible.

Senator Gardner moved the adoption of SR 53. Agreed.

SR 54, by Senator Layne: A RESOLUTION naming Senator Marvin Edwards as Man of the Day.

WHEREAS, Senator Marvin Edwards has graciously hosted the distaff members of the Senate Clerk's Office and the Lieutenant Governor's Office to a most gracious breakfast on this, the seventeenth day of March; and

WHEREAS, he has exhibited that Kentucky hospitality, which is the standard of good living; and

WHEREAS, said ladies have partaken to the full of the delights of the sausage Edwards with all the trimmings; and

WHEREAS, this feast is enough to turn green, on this Saint Patrick's Day, those who were not fortunate enough to partake; and

NOW, THEREFORE,

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky:

That this body does name as Man of the Day, the Honorable Marvin Edwards, distinguished Representative of the 20th Senatorial District, and the distinguished purveyor of good foods.

Senator Layne moved the adoption of **SR 54.** Agreed.

House Message

Announcing passage of **HB 12, HB 336, HB 382, HB 497, HB 500, HB 504, HB 507, HB 508, HR 105.**

Orders of the Day—Continued

HB 266 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the Previous Question on **HB 266.** Agreed. On the roll call the vote was yeas 35—Billington, Blue, Bonn, Brizendine, Buckman, Cobb, Derickson, Duffy, Duncan, Edwards, Engle, Fuqua, Gardner, Garrett, Howard, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Ware. Nays 0.

HB 266 was passed and the title agreed to.

Senator Gardner moved that the vote by which **HB 266** was passed be reconsidered and that said motion be laid on the table. Agreed.

Senators Gardner and Newberry announced that if they had been present on March 16 when **HB 325** was voted upon that they would have voted "Yea."

HB 413 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the Previous Question on **HB 413.** Agreed.

On the roll call the vote was yeas 35—Billington, Bonn, Brand, Brizendine, Buckman, Cobb, Derickson, Duffy, Duncan, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

HB 413 was passed and the title agreed to.

Senator Gardner moved that the vote by which **HB 413** was passed be reconsidered and that said motion be laid on the table. Agreed.

HB 414 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the Previous Question on **HB 414.** Agreed.

On the roll call the vote was yeas 35—Billington, Blue, Bonn, Brand, Brizendine, Buckman, Cobb, Derickson, Duffy, Duncan, Edwards, Engle, Fuqua, Gardner, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

HB 414 was passed and the title agreed to.

Senator Gardner moved that the vote by which **HB 414** was passed be reconsidered and that said motion be laid on the table. Agreed.

HB 250 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the Previous Question on **HB 250.** Agreed.

On the roll call the vote was yeas 35—Billington, Blue, Bonn, Brand, Brizendine, Buckman, Cobb, Derickson, Duffy, Duncan, Engle, Fuqua, Gardner, Garrett, Gay, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Ware. Nays 0.

HB 250 was passed and the title agreed to.

Senator Garrett moved that the vote by which **HB 250** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 201 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Brizendine moved the Previous Question on **SB 201.** Agreed.

On the roll call the vote was yeas 34—Billington, Blue, Bonn, Brand, Brizendine, Buckman, Cobb, Derickson, Duffy, Duncan, Edwards, Engle, Gardner, Garrett, Gay, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Van Hoose, Ware. Nays 3—Fuqua, D. Johnson, Turner.

SB 201 was passed and the title agreed to.

Senator Brizendine moved that the vote by which **SB 201** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 208 taken from Orders of the Day with Committee Amendment attached thereto, and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the adoption of the Committee Amendment to **SB 208.** Agreed.

Senator Gardner moved the Previous Question on **SB 208,** as amended. Agreed.

On the roll call the vote was yeas 36—Billington, Blue, Brand, Brizendine, Buckman, Cobb, Derickson, Duffy, Duncan, Edwards, Engle, Fuqua, Gardner, Garrett, Howard, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 1—Gay.

SB 208, as amended, was passed and the title agreed to.

Senator Gardner moved that the vote by which **SB 208,** as amended, was passed be reconsidered and that said motion be laid on the table. Agreed.

House Message

Announcing passage of **HR 51, SB 11, SB 84,** with amendments.

Orders of the Day—Continued

SB 233 taken from Orders of the Day, with the Committee Amendment attached thereto, and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the adoption of the Committee Amendment to **SB 233.** Agreed.

Said Committee Amendment to **SB 233** is as follows:

Amend printed copy of Senate Bill 233 on page 12, by:
adding the following:

"Section 19. The Kentucky State Board of Chiropractic Examiners shall enforce rules and regulations within the profession necessary to effect compliance with state and Federal regulations on ionizing radiation."

Senator Gardner moved the Previous Question on **SB 233**, as amended. Agreed.

On the roll call the vote was yeas 30—Billington, Bonn, Brizendine, Cobb, Derickson, Duffy, Duncan, Edwards, Engle, Fuqua, Gardner, Howard, D. Johnson, F. Johnson, Kelly, Kidwell, Kiser, Layne, Mann, McCann, McGinty, Miller, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Van Hoose, Ware. Nays 5—Blue, Brand, Buckman, Gay, Mobley.

SB 233, as amended, was passed and the title agreed to.

Senator Gardner moved that the vote by which **SB 233**, as amended, was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 69 taken from Orders of the Day, with Committee Amendments attached thereto, and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner offered Committee Amendment #1 to **SB 69** and moved its adoption. Agreed.

Said Committee Amendment #1 to **SB 69** is as follows:

Amend printed copy of Senate Bill 69 on page 2, line 9, by:

Adding the following after the word "property"

, or to items sold or offered for sale at trade shows, displays or conventions held at the State Fair and Exposition Center, hotels, motels, state parks or other governmental owned facilities.

Senator Gardner offered Committee Amendment #2 to **SB 69** and moved its adoption. Agreed.

Said Committee Amendment #2 to **SB 69** is as follows:

Amend printed copy of Senate Bill 69 on page 2, line 1, by:

striking the word "new."

Senator Brizendine moved the Previous Question on **SB 69**, as amended. Agreed.

Senator Howard arose to a point of order to move that the vote by which Committee Amendment #1 to **SB 69** was adopted be reconsidered.

The President Pro Tempore, Senator Ware, ruled that Senator Howard's motion to reconsider Committee Amendment #1 to **SB 69** was out of order inasmuch as the Previous Question had previously been applied.

Senator Buckman moved the Senate to adjourn. Senators Buckman and Brand requesting a roll call on said motion.

Senator Swope moved that **SB 69** be tabled.

The Chair ruled that Senator Swope's motion to table **SB 69** was out of order and that Senator Buckman's motion to adjourn takes precedence.

On the roll call the vote was yeas 5—Brand, Buckman, Gay, Kinkead, Mobley. Nays 32—Billington, Blue, Bonn, Brizendine, Cobb, Derickson, Duffy, Duncan, Edwards, Engle, Fuqua, Gardner, Garrett, Howard, F. Johnson, Kelly, Kidwell, Kiser, Layne, Mann, McCann, McGinty, Miller, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware.

The motion to adjourn was rejected.

On the roll call the vote was yeas 26—Bonn, Brizendine, Cobb, Derickson, Duffy, Edwards, Fuqua, Gardner, Garrett, Gay, Howard, F. Johnson, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Miller, Newberry, Nichols, Palmer, Spence, Turner, Van Hoose, Ware. Nays 11—Billington, Blue, Brand, Buckman, Duncan, Engle, D. Johnson, Kelly, Kidwell, Mobley, Swope.

SB 69, as amended, was passed and the title agreed to.

Senator Brizendine moved that the vote by which **SB 69**, as amended, was passed be reconsidered and that said motion be laid on the table. Agreed.

HB 371 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the Previous Question on **HB 371.** Agreed.

On the roll call the vote was yeas 33—Billington, Blue, Bonn, Brizendine, Buckman, Cobb, Derickson, Duffy, Duncan, Edwards, Engle, Fuqua, Gardner, Garrett, Howard, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Mann, McCann, McGinty, Miller, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nay 1—Mobley.

HB 371 was passed and the title agreed to.

Senator Gardner moved that the vote by which **HB 371** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 254 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Fuqua moved that **SB 254** be passed and that it retain its place in the Orders of the Day. Agreed.

SB 240 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the Previous Question on **SB 240.** Agreed.

On the roll call the vote was yeas 31—Billington, Blue, Bonn, Brizendine, Buckman, Duffy, Edwards, Engle, Fuqua, Gardner, Garrett, Howard, D. Johnson, F. Johnson, Kelly, Kidwell, Kiser, Mann, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

SB 240 was passed and the title agreed to.

Senator Donald Johnson moved that the vote by which **SB 240** was passed be reconsdiered and that said motion be laid on the table. Agreed.

SB 212 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Howard moved the Previous Question on **SB 212.** Agreed.

On the roll call the vote was yeas 27—Billington, Blue, Bonn, Brizendine, Buckman, Duffy, Fuqua, Gardner, Garrett, Howard, D. Johnson, Kelly, Kidwell, Kiser, Layne, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Turner, Van Hoose, Ware. Nays 0.

SB 212 was passed and the title agreed to.

Senator Howard moved that the vote by which **SB 212** was passed be reconsidered and that said motion be laid on the table. Agreed.

Report of Committee

Committee on Rules reported **HB 267, HB 487, HB 488, HB 475, HB 479, HB 204, HB 393, HB 462, HB 391, HB 219, HB 439, HB 440, HB 442, HB 445, HB 446, HB 447, HB 448, HB 416,** with Committee Amendment, **HB 449, HB 474, HB 181,** with Committee Amendment, **HB 422, HB 454, HB 432,** with Committee Amendments, **HB 483,** with Committee Amendment, **HB 85, HB 283, HB 282,** with Committee Substitute, **HB 461, HB 215, HB 236,** with Committee Amendments, **HB 153, HB 395, HB 436, HB 370, HB 481, HB 227** with the expression of opinion that same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 267, AN ACT relating to state and national parks, monuments, and memorials, and to the State Property and Buildings Commission.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. As used in this Act, unless the context otherwise requires:

(1) "Department" means the Department of Parks.

(2) "Commissioner" means the Commissioner of Parks.

(3) "Commissioner" means the State Property and Buildings Commission.

Section 2. (1) There shall be established in the State Government a Department of Parks, a statutory administrative department within the meaning of Chapter 12 of the Kentucky Revised Statutes, the executive head of which shall be the Commissioner of Parks.

(2) The Commissioner of Parks shall be appointed by the Governor as provided in KRS 12.040 for the heads of statutory administrative departments and shall receive an annual salary not to exceed the amount provided in KRS 64.640 (2) relating to compensation for the heads of other statutory administrative departments.

(3) The Commissioner of Parks may establish divisions in accordance with the terms of KRS 12.030.

(4) The heads of the divisions in the Department of Parks shall be appointed by the Commissioner of Parks in accordance with the provisions of KRS 12.050.

Section 3. (1) The Department of Parks shall exercise all administrative functions of the state relating to the operation of state parks, shrines, monuments, and museums except those allocated to the Historical Society.

(2) The Department may acquire, subject to the provisions of Chapters 42 and 56 of the Kentucky Revised Statutes, lands by purchase, lease or otherwise, on which to operate state parks.

(3) The Department may improve said parks by constructing and equipping improvements of facilities in said parks.

(4) The Department may operate said parks, and fix fees and charges for the use of said parks and the improvements and facilities constructed therein, and provide for the collection of said fees and charges and the proper accounting therefor.

(5) The Department of Parks is authorized to enter into any agreement with the Breaks Interstate Park Commission for the operation of any facilities in the Breaks Interstate Park.

(6) The Department of Parks is authorized to accept, for deposit in a trust and agency fund account in accordance with KRS 45.140, on behalf of the state any grant or contribution, federal or otherwise, to assist in meeting the cost of carrying out the functions assigned to the Department of Parks.

Section 4. The Department shall adopt regulations necessary for the operation, maintenance and use of state parks. These regulations shall include the setting up of an accounting system to properly show the receipts and expenditures of the parks operated by the Department, and shall provide for the setting aside and pledging of sufficient revenue to secure the payment of all bonds and the interest thereon which may be issued.

Section 5. (1) All regulations adopted by the Department for the purpose of protecting and maintaining the property under the control of the Department and devoted to public park purposes, shall be printed and posted at the main entrance to the parks and at three or more public places within the park.

(2) All persons using, occupying or going upon any property held by or controlled by the Department of Parks shall comply with all the regulations made by the Department.

Section 6. The Commissioner of Parks, in his discretion, may commission the chief custodian of each state park, and such other of the employes of the Department assigned to the various parks as the Commissioner deems necessary as park patrolmen, and such custodians and employes, when so commissioned, shall have all of the powers of peace officers within the boundaries of any state park. The designation of any such custodian or employe as a peace officer shall be governed by the provisions of KRS 61.300. Any custodian or employe so commissioned shall be required to execute bond, subject to the provisions of KRS 62.170 for the faithful and lawful performance of his duties.

Section 7. The Commissioner of Parks may employ or contract with such other persons, firms or corporations as he may deem necessary or desirable to accomplish the duties and functions assigned by law to the Department of Parks; may fix the compensation and the terms of employment or contract of those employed or contracted with; and may assign to them such duties and responsibilities as he may determine; provided, however, that any contract shall be approved by the Commissioner of Finance before it shall become effective.

Section 8. (1) The Department of Parks shall accept for the state any real estate or personal property conveyed or dedicated for public park purposes to the state or to the Department or to its predecessor, but the Department is not compelled to accept any such property if it deems it unwise to do so.

(2) The title to all property that has been, or shall be, acquired by the Commonwealth or its agency for public park purposes shall be vested in the Commonwealth. Such property shall be managed, maintained, and improved by the Department of Parks for public park purposes.

Section 9. (1) The Department of Parks may acquire by condemnation proceedings any lands or waters, or any estate or interest therein, located in Kentucky and having scenic beauty, material or recreational utility, historic interest, remarkable natural phenomena or other unusual features which, in the judgment of the Department or of the General Assembly, expressed by Act, should be acquired or preserved and maintained. The Department may, and when directed by Act of the General Assembly shall, institute and prosecute on behalf of the state condemnation proceedings necessary or proper for the acquisition of properties for state park purposes that cannot be acquired on reasonable terms by agreement with the owners. Condemnation proceedings brought purusant to this action shall be conducted substantially in accordance with the statutes generally governing condemnation proceedings.

(2) All contracts in reference to any of the properties shall be taken in the name of the Commonwealth of Kentucky. Titles shall be examined and approved by the Attorney General before any property is finally acquired by purchase, gift, or condemnation proceedings.

Section 10. (1) Upon direction of the Department of Parks or upon instructions contained in any Act of the General Assembly, the Attorney General shall institute, in the name of the Department of Parks condemnation proceedings necessary for the acquisition of property or of any right or interest or easement in it, which cannot be acquired upon reasonable terms by agreement with the owners, and which shall be described in any request or direction given by the Department of Parks or by Act of the General Assembly, as desirable for acquisition on behalf of the state for park purposes.

(2) Condemnation proceedings may, in the discretion of the Attorney General, be brought as separate actions against the owners of separate properties, or may be brought as one joint action against the owners of all the separate tracts embraced in the area.

Section 11. (1) The cost of acquiring parks and construcing improvements and facilities therein and equipping same may be defrayed by funds received from general expenditure fund appropriations, gifts, the use of money received as fees and charges for the use of said parks and facilities, or by the issuance of revenue bonds, or by a combination of such sources of funds.

(2) In the event revenue bonds are issued to defray all or any part of such costs, said revenue bonds shall be issued pursuant to the terms of KRS 58.010 to 58.140.

(3) The Department of Parks may unite into one project for financing purposes all or as many parks, and the improvements thereon, or to be constructed, enlarged or improved, as it deems practicable, so that the fees and charges and other revenue or receipts from every source whatsoever from the parks thus united shall be used for the payment of the principal and interest of all bonds which may be issued. Such united receipts shall continue until all bonds issued have been paid in full. The lien of the bonds for such united project shall be a lien upon the gross income and revenue of all parks thus united into a project.

(4) All parks in which improvements and facilities are constructed and equipped by the issuance of revenue bonds shall be maintained and operated by the Department of Parks until the bonds are paid, and the cost of operation and maintenance shall be paid out of appropriations and receipts received by the Department of Parks.

Section 12. (1) All governmental agencies of the Commonwealth of Kentucky are authorized to cooperate with the Breaks Interstate Park Commission created by the compact approved by KRS 148.220, it being the policy of this Commonwealth to perform and carry out the compact and to accomplish the purposes thereof.

(2) The Department of Finance is authorized to allot funds appropriated by the General Assembly to the Breaks Interstate Park Commission for the same purposes it is authorized to make expenditures for other state agencies. The State Property and Buildings Commission is authorized to exercise the right of eminent domain on behalf of the Commonwealth of Kentucky in acquiring land or other property required in the establishment or enlargement of the Breaks Interstate Park.

Section 13. The State Property and Buildings Commission is hereby authorized and directed to further the establishment of national parks in such areas in Kentucky as the Congress of the United States designates. To accomplish that purpose, the Commission may enter into agreements with the United States relating to the survey, location, and conveyance of property acquired by the Commission for that purpose. It may fully cooperate with the United States and do all necessary acts to provide for the establishment of national parks under such terms as are provided by any relative Act of Congress. To accomplish this end the Commission shall acquire land, caves, cave rights, leasehold interests, money and other property for public park purposes and to convey them to the United States for the establishment of national parks. The Commission may do such other acts necessary to promote and accomplish its purpose. The acts of the Commission shall be the acts of the state.

Section 14. (1) The Commission may condemn any land or any interest in land within areas designated by the United States for park sites. Condemnation proceedings shall be exercised in accordance with the statutes generally governing condemnation proceedings. No condemnation proceedings shall impose on the state any liability for which provision has not previously been made. The Commission shall also pay the expenses of condemnation proceedings, judgments and awards in condemnation proceedings, and other expenses necessary to acquire property.

(2) The action shall be brought in the county court where the property lies by the Attorney General, and the county attorney of that county at the direction of the Attorney General shall assist in the prosecution of said action in the county and circuit courts.

(3) It shall not be mandatory for the Commission to take the property at the price fixed by the jury or court judgment. However, in case the Commission does not take the property, and perform all requirements of the judgment rendered by the court, then and in that event said Commission shall pay the property owner all expenses as he may have incurred incident to the law suit, including attorney's fees, and the property owner may have judgment in the original action upon filing proper proof thereof with the court.

Section 15. The Commisison may receive by gift or purchase and hold any property or money for the purpose of establishing national parks, and may use such gifts in the purchase of real estate interests therein needed for proposed national parks. It may also dispose of any property so accepted by it, and use the proceeds or consideration received, in the acquisition of other real estate for national park purposes. The Commission may also take over assets assigned to it by any private corporation formed and conducted for the purpose of acquiring and establishing national parks. The Commission may collect any delinquent contributions or subscriptions or other obligations turned over to it, whether they have been made directly to the Commission or acquired by assignment to it.

Section 16. Conveyances to the United States shall be made on the condition that the Government of the United States administer, protect and develop the property for national park purposes, in accordance with federal laws regulating national parks.

Section 17. The Commission may adopt and enforce lawful regulations for the proper administration and disposition of any property to which it may acquire title or over which it may gain control previous to the conveyance thereof to the United States.

Section 18. KRS 148.010, 148.020, 148.030, 148.040, 148.050, 148.055, 148.060, 148.070, 148.080, 148.085, 148.110, 148.120, 148.130, 148.140, 148.150, 148.160, 148.170, 148.180, 148.190, 148.230, 148.240, 148.510, 148.520, 148.530, 148.540, 148.545, 148.550, and 148.990 are hereby repealed.

Section 19. Any person who violates subsection 2 of Section 5 shall be fined not less than $10 nor more than $100, or imprisoned in jail for not less than one day or more than 10 days or both.

HB 487, AN ACT relating to subject programs and textbooks for experimentation in education.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

A new section of the Kentucky Revised Statutes is created to read as follows:

Section 1. (1) The State Board of Education, upon the recommendation of the Superintendent of Public Instruction, may designate subjects in the State Courses of Study for which programs may be listed by the State Textbook Commission and adopted by the county and independent school districts and the state model and practice schools in lieu of the number of books as stipulated in KRS 156.435, Subsection (1); KRS 156.440, Subsections (2) and (3); KRS 156.472, Subsections (1) and (2); KRS 156.474, Subsections (1) and (2) and KRS 156.476.

(2) The State Board of Education, upon the recommendation of the Superintendent of Public Instruction, shall have the authority to prescribe rules and regulations for the listing by the State Textbook Commission, adoption by local adoption units, the purchase of subject programs for the pupils in the state public schools.

Section 2. (1) The State Board of Education, upon the recommendation of the Superintendent of Public Instruction, may authorize school districts for instructional experimentation to select and use textbooks other than those selected and listed by the State Textbook Commission and adopted by adoption units.

(2) Before subjects for experimentation are offered and taught to the pupils in the state public schools, such subjects shall have been approved by the State Board of Education, upon the recommendation of the Superintendent of Public Instruction. The selected

textbooks by the school districts shall be approved by the State Textbook Commission as regards size, paper, binding, print, illustration, subject matter, and the retail, lowest wholesale, and exchange prices before the books are used by the public schools. The purchase, distribution, and use of such books shall be by the same procedures as that for other textbooks for said subjects and grades.

HB 488, AN ACT relating to the conduct of private kindergarten-nursery schools.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 158.300 of the Kentucky Revised Statutes is amended to read as follows:

As used in KRS 158.300 to 158.350, unless the context requires otherwise:

(1) *"Kindergarten-Nursery School" means any private kindergarten or nursery school which provides educational experiences for four or more* ["Center" means any child care center, nursery school, or kindergarten organized for the purpose of providing educational experiences for not less than five] children, between the ages of three and six years, in return for tuition, fees or other forms of compensation; provided, that *the kindergarten or nursery school shall not include any public, private school or college operating under the accreditation program of the State Department of Education;* ["Center" shall not include any school or college now operating a center authorized by law, any children's home, orphan asylum, children's aid society, public agency operated by a city or county, school district operating a center, or any other organization incorporated and regulated under the laws of the state;]

(2) "Superintendent" means Superintendent of Public Instruction;

(3) "Age" means the age attained at a child's last birthday;

(4) *"School Day" means a minimum of two and one-half hours;* ["Day" means any twenty-four hour period from twelve o'clock midnight through eleven-fifty-nine p.m.]

(5) "Permit" includes both a "regular" and "provisional" permit. "Regular" permits are those issued by the superintendent upon satisfactory proof of compliance with the provisions of KRS 158.300 to 158.350. "Provisional" permits are those issued by the superintendent, within the discretion of the superintendent, for the purpose of enabling *kindergarten-nursery schools* [centers] to comply with the provisions of KRS 158.300 to 158.350; *a "provisional" permit will be issued when the kindergarten-nursery school does not meet the requirements for a*

"regular" permit provided the kindergarten-nursery school shows evidence of meeting full requirements within a reasonable period of time. [no such permits shall be issued for a period exceeding three years time from the date of issuance, and shall be subject to such rules and regulations providing for inspection, compliance, suspension or cancellation thereof as the superintendent may prescribe as a condition to the issuance thereof.]

Section 2. Section 158.310 of the Kentucky Revised Statutes is amended to read as follows:

(1) No person, firm, corporation, association or organization shall conduct, operate, maintain or establish a *kindergarten-nursery school* [center] unless a permit therefor has been issued by the superintendent, and such permits shall not be transferable.

(2) Each *kindergarten-nursery school* [center] in operation as of the effective date of KRS 158.300 to 158.350 shall, within sixty days thereafter, make application to the superintendent, on a form provided for that purpose, for a permit. Permit application forms shall be as prescribed by the superintendent and shall include the following:

(a) The name and address of the *kindergarten-nursery school,* [center] its owners, operators, instructors, assistants and personnel engaged in the operation of the *kindergarten-nursery school;* [center]

(b) Certificates from the local [county] health officer, fire marshall or, in his absence, the chief of the fire department, [building inspector] and such other inspecting personnel as may be designated by the superintendent showing that the applicant has complied with all conditions required by such officials.

(3) *A permit shall be issued by the superintendent provided an evaluation of the application form, written reports and/or visits by staff members indicates that the requirements of the law have been met.* [If a permit is not issued within three months from the date of application the applying center shall cease to operate. No center shall be established, or operate, after the effective date of KRS 158.300 to 158.350 except as herein provided.]

(4) Each initial application for a permit hereunder shall be accompanied by the payment of a fee in the amount of thirty-five dollars and shall, [excepting provisional permits,] be renewable upon expiration and re-application when accompanied by payment of a fee in the amount of ten dollars, subject only to compliance with the provisions hereof. Regular *and provisional* permits, [and renewals thereof,] shall expire one year from their effective date. Each *kindergarten-nursery school* [center] shall post its permit in a conspicuous place. No change in address may be effected by any *kindergarten-nursery school* [center] without the approval of the superintendent.

(5) The superintendent shall, pursuant to regulations adopted by the State Board of Education under KRS 158.330, regulate the issuance of permits to establish *kindergarten-nursery school* [centers] not meeting the requirements of KRS 158.300 to 158.350, and may revoke the permit of any *kindergarten-nursery school* [center] failing to meet such requirements within a reasonable period of time.

Section 3. Section 158.320 of the Kentucky Revised Statutes is amended to read as follows:

Kindergarten-Nursery Schools [Centers] shall, at all times, be open to inspection by such persons and inspectors as are herein provided for and shall keep such records, furnish such information and reports, and comply with such rules and regulations as may be adopted and published pursuant to the provisions of KRS 158.330.

Section 4. Section 158.330 of the Kentucky Revised Statutes is amended to read as follows:

The State Board of Education shall promulgate reasonable rules and regulations *consistent* [not inconsistent] herewith, to properly administer the provisions of KRS 158.300 to 158.350.

Section 5. Section 158.340 of the Kentucky Revised Statutes is amended to read as follows:

All fees collected under the provisions of KRS 158.300 to 158.350 shall be paid into the State Treasury, and credited to *the Department of Education* [a special fund] for the purpose of administering KRS 158.300 to 158.350.

HB 475, AN ACT relating to absentee voting.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 126.140 of the Kentucky Revised Statutes is amended to read as follows:

As used in this chapter, unless the context otherwise requires:

(1) "Absent voter" means any qualified voter [in the United States services, or bona fide, full time student in residence at an educational institution] who expects to be absent from the county in which is situated his voting precinct on the day of holding any election.

(2) "Election" means any regular election, primary election or special election, for any federal, state, district, county or city office, including school district offices, and any election upon a public question.

(3) "Mail" means the delivery to a mail carrier or the deposit in a letter box or post office of a letter, with postage prepaid.

(4) *For the purpose of absentee registration,* "United States service" means:

(a) Members of the armed forces while in the active service, and their spouses and dependents residing with them.

(b) Members of the merchant marine of the United States, and their spouses and dependents residing with them.

(c) Civilian employes of the United States [residing outside of the continental United States,] in all categories and their spouses and dependents when residing with or accompanying them, whether or not the employe is subject to the civil-service laws and the Classification Act of 1949, and whether or not paid from funds appropriated by the Congress.

(d) Members of religious groups or welfare agencies assisting members of the armed forces, who are officially attached to and serving with the armed forces and their spouses and dependents residing with them.

Section 2. A new section of the Kentucky Revised Statutes is created to read as follows:

Applications for registration by persons absent from the county of his residence shall be signed and sworn to by the applicant before anyone authorized by law to administer an oath. The application shall be substantially in the following form:

County Court Clerk of______________County______________, Kentucky.

I, ____________________________, state that I am a resident of the state of Kentucky and have been a resident for at least one year prior to the present date. I am a resident of______________________ County and have been a resident for more than six months prior to the present date. I am presently absent from_____________________ County for the reason checked below:

☐ *United States Service___________________________________*
(Specify Branch)

☐ *Spouse of member of United States Service______________*
____________________________________.
(Specify Branch)

☐ *Dependent of member of United States Service___________*
____________________________________.
(Specify Branch and kinship)

☐ *Member, spouse or dependent of religious or welfare agency*
_______________________________________.
(Specify Armed Service and Agency)

I am a resident of__________________precinct of_____________ County (or__________________ward of the city of__________________ county of_________________________) and have been a resident for at least sixty days prior to the present date. I reside at________________ ________________________________(House number and street address, if in city, or county road and nearest neighbor, if in county) I am eighteen years of age or will be before the date of the next regular election.

I am affiliated with the_____________________________________ political party.

I request by this application to be registered as a voter.__________

____

(Name and present address)

____

(Rank and unit if in Armed Forces)

____

(Department of United States Government if an employe or the wife or dependent of an employe)

____

(Voter sign here, and oath must be administered and attested)

Subscribed and sworn to before me this________________________ day of_______________________________, 19______.

____

(Name and official title)

Section 3. KRS 126.150 is amended to read:

Any [absent] voter may, at any time not less than twenty days before an election, make an application in writing and by mail on the form prescribed in KRS 126.160 or on Form 76 issued under 5 USCA 2184, to the clerk of the county court of the county of his residence, for an absent voter's ballot.

Section 4. KRS 126.160 is amended to read:

Applications for absent voter's ballots shall be signed and sworn to by the absent voter before anyone authorized by law to administer an oath, provided neither the *person so authorized* [officer] nor his deputy *or employee nor anyone for or with whom he works or with whom he is related by blood or marriage* is a candidate to be voted for at the election. Except as provided in KRS 126.150, the application shall be substantially in the following form:

County Court Clerk of_______________County, _______________, Kentucky.

I, ________________, state that I am a duly qualified registered voter in______precinct of ______________ County (or________ ward of the city ______________, county of____________)

I am eligible to vote in the election to be held on the______ day of ______________, 19______.

I reside at ______________ (house number and steet address, if in city or county road and nearest neighbor, if in county) but I will be unavoidably absent from ______________ County on the date of the above stated election due to the following reason:

____

(Here set out briefly the reason for the absence

____

from the county of residence)

____

(Name and address)

____

(Voter sign here, and oath administered and attested.)

[I, ________________, state that I am a resident of the State of Kentucky and have been such for at least one year prior to the date hereof. I am a resident of ____________ County and have been such for more than six months prior to said date and expect to be absent therefrom for the reason checked and explained below:

☐ United States Service __________________________________
(Specify branch)

☐ Spouse of member of United States Service_______________
____
(Specify branch)

☐ Dependent of member of United States Service___________
____
(Specify branch and kinship)

☐ Full-time resident student ______________________________
(Specify school)

☐ Member, spouse or dependent of religious or welfare agency
____
(Specify armed service and agency)

at the election to be held on the------day of --------------, 19---, and will not vote elsewhere at said election, and am a resident of -------- precinct of said county (or--------ward of the city of---- -------------, county of------------), and have been such for at least sixty days prior to said date; that I reside at ----------------, (house number and street address, if in city, or county road and nearest neighbor, if in county) that I will be at least eighteen years of age by the date of the next election, and that I am a duly qualified voter of said precinct (or said ward), and I am affiliated with the -------------- political party; I request that an official ballot be mailed to me at the following address:

(Name and address)

(Rank and Unit if member of Armed Forces)

(Department of United States Government if an employe
or the wife or dependent of such employe)

(Voter must sign here, and oath must be
administered and attested.)

Subscribed and sworn to before me this------day of ----------, 19----.

(Name and official title)]

Section 5. KRS 126.170 is amended to read:

(1) Upon receipt of any application for an absent voter's ballot, the county court clerk shall examine the registration books for the purpose of ascertaining whether or not the applicant is a registered voter as stated in the application. If the county court clerk finds that the applicant is so registered, he shall, subject to the provisions of Section 7 of this Act, mail a ballot to the voter as provided in KRS 126.190. [If the clerk finds that this applicant is not registered, he shall upon being satisfied that the applicant is entitled to be registered, cause the applicant to be registered in the registration records of the proper precinct, and shall mark upon such registration records the words "Absentee Registration." Such registration may be made not later than twenty days before the election for which an absent voter's ballot is applied for.]

(2) Any person who has been registered under the provisions of

Section 2 of this Act shall be required to reregister in person upon his first return to the county of his residence at a time when the books are open.

(3) The oath required of a member of the United States services may be administered and attested by any commissioned officer in the active service of the armed forces, or any member of the merchant marine of the United States designated for this purpose by the Secretary of Commerce, or any civilian official empowered by state or federal law to administer oaths.

Section 6. KRS 126.210 is amended to read:

(1) The Secretary of State shall cause to be prepared and printed an appropriate number of inner envelopes for absent voter's ballots, for all counties. Each such envelope shall be gummed, ready for sealing. Upon one side of such envelope shall be printed, in substantially the following form:

OFFICIAL ABSENT VOTER'S BALLOT *Precinct*______________
Name or Number

Name of Voter ____

Residence (Street and number, if any) _________________________

County of_______________City or town of _____________________

---

(2) On the other side of such envelope shall be printed the following oath:

I do hereby swear [or affirm] that I am a citizen of the United States and *that I* am *eligible to vote* (now of the age of at least eighteen years or will be on the date of) *in* the election; to be held on the ______ day ______________, 19____ (here insert the day of the election) that I will have been a resident of the State of Kentucky for at least one year preceding *the* [such] election *to be held on* ________ *day of* ______________ and a resident of the County of____ ____________, for more than six months preceding such election, and a resident of ________ precinct of said County [or ________ ward of the city of ______________ County of ______________] at *least* [last] sixty days preceding such election; that I am a duly qualified voter of said precinct or said ward, and I am affiliated with the__________ political party, [; that for the reason checked and explained below:

☐ United States Service __________________________________
(Specify branch)

☐ Spouse of member of United States Service_______________
___________________ _________

(Specify branch)

☐ Dependent of member of United States Service___________
____

(Specify branch and kinship)

☐ Full-time resident student _____________________________

(Specify School)

☐ Member, spouse or dependent or religious or welfare agency
____

(Specify Armed Service and agency)]

And I expect to be absent from said county at the time of said election.

____

____

(Voter must sign here, and oath must be administered and attested.)

Subscribed and sworn to before me this______of_____________

____

(Official Title)

Such oath shall constitute prima facie evidence that the voter is qualified to vote if registered, unless the statements contained in such oath indicate the contrary.

Section 7. A new section of the Kentucky Revised Statutes is created to read as follows:

Beginning on the nineteenth day prior to the election during the hours in which the county court clerk's office is open, the county board of election commissioners and the county clerk, together with interested candidates or their representatives, and representatives of news media, shall examine all applications for an absent voter's ballot for the purpose of determining the voter's right to make application, as well as the validity of the form and method of submitting the application itself. The county clerk shall have the registration records at the meeting. The county clerk shall read the name of each applicant aloud, and the applicant and his application may be challenged by anyone present. If the applicant or his application is challenged, the board shall check the applicant's signature with the signature on the registration record. The board shall determine whether or not each challenged applicant shall be accepted or rejected. If the application is rejected it shall be so marked and the voter notified of this fact and the reason therefor. No ballot shall be sent in response to a rejected application or prior to the examination provided for in this section.

(2) The provisions of subsection (1) of this section shall not apply to applications submitted by members of the United States services.

(3) The county clerk shall, however, retain the envelope or post card used by any member of the United States services for inspection and examination.

Section 8. Section 126.230 of the Kentucky Revised Statutes is amended to read as follows:

When the absent voter receives the ballot and the two envelopes, he shall go before anyone authorized by law to administer an oath, provided neither the *person so authorized* [officer] nor his deputy *or employee nor anyone for or with whom he works or with whom he is related by blood or marriage* is a candidate to be voted for at the election, and before him make and subscribe to the affidavit on the face of the envelope and shall, in the presence of such officer and no one else, mark the ballot so as to indicate the way he desires to vote, but in such manner as to prevent the officer from knowing how the ballot is marked or how he has voted. He shall then, and while in the presence of the officer, fold the ballot in such way as to conceal the markings made thereon by him, and after the ballot has been so folded, he shall enclose it in the inner envelope; then seal said envelope and then enclose it in the outer envelope; then seal and write his name across the face of the outer envelope and at once mail it to the county court clerk.

Section 9. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) The county court clerk shall, immediatley following the deadline for filing applications for an absent voter's ballot, post in a conspicuous place in the courthouse a list of the names and addresses of all applicants for an absent voter's ballot.

(2) Not less than ten days before the election the county board of election commissioners shall cause to be posted in a conspicuous place in the courthouse a list of the names of all those to whom absent voter's ballots have been mailed. The board shall then furnish a list of the same to any candidate or his authorized representative upon demand.

Section 10. A new section of the Kentucky Revised Statutes is created to read as follows:

The challenge of an absent voter's ballot must be in writing and in the hands of the chairman of the board of election commissioners prior to the time the absent voter's ballot box is opened.

Section 11. A new section of the Kentucky Revised Statutes is created to read as follows:

Where there is proof that a person who has voted an absent ballot is present in the county on the day of the election during the time the polls are open, such absent voter's ballot shall not be counted.

HB 479, AN ACT relating to amphetamine drugs.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 217.720 of the Kentucky Revised Statutes is hereby amended to read as follows:

As used in KRS 217.720 to 217.790 *and in this Act* unless the context requires otherwise:

(1) "Amphetamine" means any drug consisting in whole or in part of racemic amphetamine sulphate, dextro amphetamine sulphate, mephentermine, methamphetamine, or any other drug designated by regulation of the State Board of Health and State Board of Pharmacy, or any salt of any of these compounds [; except preparations for use in the nose and unfit for internal use];

(2) "Practitioner" means a person licensed under the professional licensing laws of this state to prescribe and administer medicines and drugs;

(3) "Pharmacist" means a person licensed as a pharmacist under the pharmacy licensing law of this state.

Section 2. Section 217.730 of the Kentucky Revised Statutes is hereby amended to read as follows:

(1) It shall be unlawful for any person to possess, manufacture, sell, dispense, prescribe or administer any amphetamine except as authorized in KRS 217.720 to 217.790 [.] *or this Act.*

(2) (a) No person shall obtain or attempt to obtain an amphetamine, or procure or attempt to procure the administration of an amphetamine by fraud, deceit, misrepresentation, or subterfuge, or by the forgery or alteration of a prescription, or by the concealment of a material fact, or by the use of a false name or the giving of a false address.

(b) Information communicated to a practitioner in an effort unlawfully to procure an amphetamine, or unlawfully to procure the administration of such drug, shall not be deemed a privileged communication.

(c) No person shall willfully make a false statement in or regarding any prescription, order, report, or record required by KRS 217.720 to 217.790 or this Act.

(d) No person shall, for the purpose of obtaining an amphe-

tamine, falsely assume the title of or represent himself to me a manufacturer, wholesaler, pharmacist, practitioner, or other authorized person.

(e) No person shall make or utter any false or forged prescription.

(f) No person shall affix any false or forged label to a package or receptacle containing any amphetamine.

(3) No person shall bring into, or cause to be brought into, or possess, use, or sell, upon the premises of any penal institution within the Commonwealth of Kentucky, any amphetamine in violation of KRS 217.720 to 217.790 or this Act.

Section 3. Section 217.994 of the Kentucky Revised Statutes is hereby amended to read as follows:

(1) Any person who violates any provision of subsection (2) or (3) of KRS 217.730 shall be guilty of a felony and shall be punished by confinement in the penitentiary for not less than two years nor more than five years, or by a fine of not less than one thousand dollars nor more than five thousand dollars or both.

(2) Any person who violates any provision of this Act or KRS 217.720 to 217.790, for which a specific penalty is not otherwise provided, shall be punished by confinement in the county jail for one year or by a fine of not less than three hundred dollars nor more than five hundred dollars or both.

[Any person who possesses, manufactures, sells, dispenses, prescribes or administers any amphetamine drug, except as authorized in KRS 217.720 to 217.790, shall be punished by confinement in the county jail for not less than six months nor more than one year, or by a fine of not less than three hundred dollars nor more than five hundred dollars, or both, and each violation shall constitute a separate offense.]

HB 204, AN ACT relating to teachers.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

KRS 161.155 is amended to read:

(1) For the purpose of this section, "teacher" *means* [shall mean] any person for whom certification is required as a basis of employment in the common schools of the state.

(2) Each district board of education shall allow to each teacher in its common school system not less than ten days' sick leave during each school year, without deduction of salary, provided he presents

a personal affidavit or a certificate of a reputable physician stating that he was ill on the day or days absent.

(3) Any days of sick leave not taken during any school year shall accumulate and may be taken in any subsequent school year or years, except that no teacher shall be entitled to take more than twenty days of accumlated sick leave, *except as authorized by subsection (4) of this section,* unless the district board of education, in its discretion, authorizes a greater number of days to be accumulated. Any district board of education may, in its discretion, allow teachers in its common school system sick leave in excess of the number of days prescribed in this section.

(4) Any teacher who has accumulated more than twenty days of sick leave as authorized by this section shall be entitled to take forty days of sick leave in addition to the twenty days for a major illness, surgery, or hospitalization.

HB 393, AN ACT relating to the appointment of a curator.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Whenever any person deems himself unfit by reason of advanced age or physical disability and weakness to properly and prudently manage or care for his real or personal property or manage his business with prudence and understanding, the county court may, upon his verified petition without notice or public hearing, appoint a curator to assume charge and management of his real or personal property or business, subject to the direction of the court.

Section 2. The court shall take bond with good surety from the person appointed curator for the full and faithful performance of the trust confided in him.

HB 462, AN ACT relating to minors.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

For the purpose of borrowing money from a State or National Bank for their own higher educational purposes, the disabilities of non-age of minors are removed for all purposes, whether male or female. Any minor is authorized to make and execute any and all promissory notes, contracts, or other instruments necessary to be executed by him in order to borrow money for his own higher educational purposes, and such promissory notes, contracts or other instruments shall have the same force and effect as though they were the obligations of persons over the age of their majority; provided, that no such obligation shall be valid if the rate of interest thereon exceeds six per cent per annum, simple interest. Any promissory note, contract or other instrument entered into by any such person pursuant to the provisions of this section shall have the approval of the parent or guardian of such minor and of the Financial Officer of the Institution of higher learning.

HB 391, AN ACT relating to revenue and taxation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 134.370 of the Kentucky Revised Statutes is amended to read as follows:

The sheriff, in reporting to the fiscal court or the Department of Revenue the names of persons owing uncollectible delinquent tax claims, shall submit to the fiscal court all tax bills in his possession against those persons. That court may *contract* [arrange] for the collection of these uncollected bills *with a delinquent tax collector upon approval of the Commissioner of Revenue.* [as it deems proper, if its action does not conflict with any powers and duties vested in the Commissioner of Revenue, but no arrangement for the collection of the bills involving taxes due the state shall be valid without the approval of the commissioner.] *The amount of commission to be paid for the collection of delinquent state and county taxes shall be fixed by the commissioner.* Any bills not disposed of in one year by the fiscal court may be disposed of by the commissioner. Uncollectible tax claims shall bear interest at twelve percent per annum from the date the sheriff makes settlement with the department and receives credit therefor. All tax bills on omitted property that were not turned over to the sheriff in time to be collected or to make the sale provided for in KRS 134.430 and 134.440 shall also be submitted to the fiscal court but shall be carried over as a charge against the sheriff at the time he makes his next regular settlement.

The county court clerk shall take custody of all delinquent tax bills submitted to the fiscal court as uncollectible by the sheriff at the time settlement with the county is made. The clerk shall safely keep and be held responsible for all delinquent tax bills in his possession for a period of five years except where the fiscal court contracts for the collection of any such bills they shall be charged to the delinquent tax collector. Upon delivery of delinquent tax bills to a delinquent tax collector the clerk shall take a receipt showing the number of tax bills and the total amount of tax due each taxing district as shown upon the tax bills. In no event shall the clerk deliver any delinquent tax bills to a delinquent tax collector until such collector exhibits a copy of his contract and bond approved by the Commissioner of Revenue. The receipt shall be signed and acknowledged by the delinquent *tax collector before the county clerk, filed in the county court and recorded in the order book of the county court. The clerk shall be relieved of all responsibility for delinquent tax bills properly charged to a delinquent tax collector.*

Contracts with delinquent tax collectors may include delinquent bills for more than one year's taxes provided the delinquent bills for each year are separately stated and charged, however, no contract with a delinquent tax collector shall be for more than one years duration.

The provisions of KRS 134.300, KRS 134.310, KRS 134.320 and KRS 134.325 regarding reporting, payment and settlement by the sheriff for the regular tax collection shall apply to delinquent tax collectors except the settlements shall be made within ten days from the expiration date of the contract and it shall not be necessary to publish such settlement.

No sheriff, former sheriff, deputy sheriff or employee of a sheriff's office shall be employed as a delinquent tax collector for the collection of any delinquent tax bills which it may have been his duty to collect as all or part of his regular duties during the regular collection period for such bills.

HB 219, AN ACT relating to the paying of Special Judges.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

KRS 23.290 of the Kentucky Revised Statutes is amended to read as follows:

Every special judge designated under KRS 23.230 [or 23.250 or under subsection (2) of KRS 23.240,] shall be paid for his services such sum per day as would be the equivalent of the rate of compensation received from the State Treasury by the regular judge if computed on a daily basis. [and those designated under KRS 23.250 or under subsection (2) of KRS 23.240 shall be paid their actual expenses, not to exceed ten dollars per day, when acting outside the county of their residence.] Claims for such compensation and expenses shall be allowed and paid as provided by law for the payment of other claims against the Commonwealth, *after approval by the Administrative Director of the Court of Appeals.* [but before such claims are allowed by the Department of Finance, the amount thereof and the number of days' services rendered on the bench, together with a statement of expenses, shall be entered upon the order book of the court over which the special judge is designated to preside, and the same shall be presented to and approved by the Chief Justice of the Court of Appeals.]

HB 439, AN ACT relating to municipal improvements.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Subsection (2) of Section 107.140 of the Kentucky Revised Statutes is amended to read as follows:

(a) Benefitted property owned by the city *or* [,] county [or state], or owned by the United States Government or any of its agencies, if such property is subject to assessment by Act of Congress, shall be assessed annually the same as private property, and the amount of the annual assessment shall be paid by the city, county, [state,] or United States Government, as the case may be. The same right of action shall lie against the county as against a private owner.

(b) Benefitted property owned by the state, *except property the title to which is vested in the Commonwealth for the benefit of a district Board of Education pursuant to KRS 162.010, shall be assessed as follows: Before assessing the state, the governing body shall serve written notice on the Commissioner of Finance setting forth specific details including the estimated total amount of any improvement assessment proposed to be levied against any state property relative to any proposed improvement project. Said written notice shall be served prior to the next Regular Session of the General Assembly so that the amount of any specific improvement assessment may be included in the biennial budget report to be submitted to the General Assembly. Payment of any assessment shall be made only from funds specifically appropriated for that assessment. If an amount sufficient to pay the total amount of any assessment has been appropriated, then the total amount shall be paid; if an amount sufficient only to pay annual assessments has been appropriated, then only the amount of the annual assessment shall be paid. The amount of the assessment shall be certified by the city treasurer to the Department of Finance, which shall thereupon draw a warrant upon the State Treasurer, payable to the city treasurer, and the State Treasurer shall pay the same.* [In the case of the state, the amount of the annual assessment shall be certified by the city treasurer to the Department of Finance, which shall thereupon draw a warrant upon the State Treasurer, payable to the city treasurer, for the amount thereof, and the State Treasurer shall pay the same out of any money in the State Treasury not otherwise appropriated. For the purpose of this chapter, all public school property shall be deemed to be property owned by the state as provided by KRS 162.010.]

(c) In the case of property the title to which is vested in the Commonwealth for the benefit of a district Board of Education, the amount of the annual assessment shall be paid by the city or other local governmental agency or authority which undertook the improvement project.

HB 440, AN ACT relating to state printing.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

A new Section of Chapter 57 of the Kentucky Revised Statutes is created to read as follows:
Section 1. (1) The Director of Purchases shall control and be responsible for the purchase of all printing requirements of the Commonwealth and all of its agencies.

(2) A buyer who meets qualifications established pursuant to the Merit System of KRS Chapter 18 shall be appointed to supervise and process printing requirements in the Division of Purchases. He shall, in addition to the said minimum qualifications, be familiar with the field of printing, including typesetting, cost of plain, job, rule, tabular, and machine composition, presswork, book binding, and paper. He shall work under the direction of the Director of Purchases.

Section 2. The printing and binding of the laws, journals, and agency reports, and all other such public printing and binding shall be performed under contract. Printing contracts shall be divided into two classes and defined as follows:

(1) First-class printing is the printing of all bills for the General Assembly together with such matters as are ordered by either or both houses to be printed in bill form and the printing and binding of the journals of the two houses, printing and binding of the volumes of public documents and of the general and local laws and joint resolutions; the printing and binding of all reports, documents and other matters bound in book or pamphlet form and all miscellaneous printing and binding necessary for the several documents not otherwise provided for in this Act.

(2) Second-class printing is lithographic or offset printing and engraving and embossing.

Section 3. In the event that the Commonwealth or any of its agencies has a printing or duplicating plant or letter press, it may print any class of printing described in Section 2 for the use of it or any other state agencies with the approval of the Department of Finance. Such state owned facilities shall not print, under contract or otherwise, for agencies, persons, entities, or other groups or associations outside of state government.

Section 4. (1) The purchase of paper and other printing supplies shall be governed by the provisions of KRS Chapter 42.

(2) Paper supplies for all printing, except when awards of contract are made for specific projects, shall be furnished by the Com-

monwealth of Kentucky. In all instances of contracts where paper is supplied by the Commonwealth, the Department of Finance shall take from the contractor and preserve a receipt for all paper delivered. An annual settlement for paper shall be made on the first Monday in January of the year following that in which the paper was furnished. At that time, each such contractor shall report to the Department of Finance on all paper so furnished which has not been used in state printing and binding. The Division of Purchases shall audit each such account to insure that the paper inventory is accurate. Upon request of the Division of Purchases, said inventory shall be delivered to it.

(3) Each bill for paper or stationery furnished by the Commonwealth or work done by any contractor under this Act shall be in itemized form so that it can be readily compared with the contract. Other particulars relative to such bills may be required by the Department of Finance. Each bill presented to the Department of Finance shall be carefully examined and compared with the vouchers and orders relating to it. The Department shall correct any error found in the bill, and shall notify the contractor of any such corrections. After the bill has been examined, and necessary corrections made thereon, the Department of Finance shall endorse it, and draw a warrant upon the Treasurer in favor of the contractor for the amount due.

(4) If any project or a specific portion thereof is rejected as a result of error or mistake on the part of the contractor, the work shall be promptly reprinted without charge.

(5) Title to all dies, cuts, plates, positives, negatives, artwork, color separations, progressive proofs, and other supplies purchased for use in connection with a state printing contract, shall be in the Commonwealth of Kentucky. Each such item shall be returned to the appropriate state agency when requested.

Section 6. Requisitions for printing of all kinds and classes, shall be submitted by the using state agency to the Division of Purchases for approval. No order shall be placed with any firm except through the Division of Purchases. Requisitions from using agencies shall state the number of copies to be purchased; the quantities established thereby shall be included in each invitation concerning such requisitions.

Section 7. The specifications for all printing, binding, and paper shall be governed by the provisions of KRS Chapter 42.

Section 8. The solicitation and advertisement for bids concerning state printing needs shall be governed by the provisions of KRS Chapter 42, any other provisions of the laws of the Commonwealth to the contrary notwithstanding.

Section 9. All work under the provisions of Section 2 shall be awarded as provided in KRS Chapter 42, provided, however, that approval by the Governor shall be required for each award of contract. One or more contracts may be awarded for each class of printing. The number of contracts required shall be as determined by the Department of Finance to be in the best interest of the Commonwealth. The determination of content for each award and the period thereof shall be made by the Commissioner of Finance. No contract shall be awarded to a member of the General Assembly or to any officer of the Commonwealth who is in any way interested in any such contract.

Section 10. Each bidder shall submit with his bid a bond payable to the Commonwealth of Kentucky, with sufficient surety approved by the Commissioner of Finance in an amount equal to one-fourth of the estimated annual volume under the contract, provided, however, that for awards of contract for specific projects the amount shall be equal to the actual bid. In the case of contracts for one thousand dollars or less the Commissioner of Finance may waive the bond requirements. Any bond required will be conditioned upon the premise that the bidder will accept the contract and will promptly, faithfully, and skillfully perform the work as awarded to him and, further, that if the contract is awarded to him and he does not accept it, he will be liable to the state for the difference between the amount of his bid and the amount of the bid of the person to whom the contract is later awarded. A contract shall not be awarded to any bidder failing to meet the requirements of this section.

Section 11. (1) All successful bidders under this Act shall promptly execute all orders issued to them by the Department of Finance. The acts and the journals of the General Assembly shall be printed and bound and delivered respectively within sixty days and one hundred eighty days after the end of the session to the Legislative Research Commission for distribution, under the penalty of forfeiture of the bond of the contractors. The Department of Finance may on good cause shown by the contractors, extend the time for not more than thirty days for executing any work.

(2) All transportation of paper, copy, proof or printed sheets, and finished work shall be paid for by the contractor.

Section 12. If any successful bidder fails in whole or in part to fulfill his contract, the Department of Finance may cancel the contract. Cancellation shall be in writing, stating the reasons for such cancellation, and shall be sent by registered or certified mail. The Department of Finance may suspend, declare void, or cancel any contract whenever it is of the opinion that the contract was obtained by fraud, collusion, conspiracy, or other unlawful means. Any cancellation of contract shall be a basis for removal of the offender from the bid list and exclusion from consideration on future awards. In no instance shall the offender be considered for the next award for similar work.

Section 13. No person shall offer to pay to any person anything of value to induce him not to bid for any contract provided for in this chapter or as a recompense to him for not having bid on the subject contract.

Section 14. The Legislative Research Commission shall furnish a correct copy of the actions and resolutions and the journals of the General Assembly to the printer. The clerk of each house of the General Assembly shall promptly furnish to the printer copies of bills, reports, resolutions, and other papers.

Section 15. The Legislative Research Commission shall prepare indexes to the acts of the General Assembly and the journals of the Senate and House and for the acts proofread by the enrolled bills. The Commission shall refer to the section number affected for any section of the Kentucky Revised Statutes or of the Rules of Practice amended or repealed by any Act. The printing rate shall be established in the contract for printing the basic documents.

Section 16. Sections 57.010 through 57.270 of Chapter 57 of the Kentucky Revised Statutes are repealed.

Section 17. This Act shall become effective on July 1, 1964, but shall not affect existing printing contracts.

HB 442, AN ACT relating to the compensation of witnesses.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 421 of the Kentucky Revised Statutes is created to read as follows:

(1) Each circuit clerk shall pay to each witness the compensation allowed to him by law, under appropriations provided by the General Assembly and in accordance with procedures governing expenditures from appropriations. He shall take a receipt for each payment made by him showing the date on which payments is made. For the purpose of providing for such payments, the State Treasurer, on direction of the Department of Finance, shall advance to each circuit clerk an imprest fund sufficient for the payment of the fees of all Commonwealth's witnesses for a term of court or, if the court is one of continuous session, sufficient for a period of time not to exceed sixty days.

(2) The circuit clerk shall be allowed an amount equal to five percent of the funds disbursed by him to witnesses under this section.

Section 2. Subsection (1) of Section 421.020 of the Kentucky Revised Statutes is amended to read as follows:

Witnesses subpoenaed for the state in felony cases shall be allowed [out of the State Treasury] one dollar per day for each day in attendance in the circuit court, begining with the day set for the trial of the case. If a witness resides in another county he shall receive in addition to the per diem, four cents per mile going and returning by nearest traveled route to be allowed by the *circuit* court and certified to the *circuit clerk* [Department of Finance] for payment.

Section 3. Section 421.030 of the Kentucky Revised Statutes is amended to read as follows:

A Commonwealth's witness in a felony case who resides in another state shall be allowed his necessary expenses in addition to the per diem, but no such allowance shall be made unless the judge of the court has made an order based upon the personal knowledge of the circuit judge or upon information showing that the testimony of the witness is material to the state, requiring the attendance of the witness. The expense and per diem shall be allowed by the circuit court and certified to the *circuit clerk* [Department of Finance] for payment.

Section 4. Subsection (1) of Section 28.190 of the Kentucky Revised Statutes is amended to read as follows:

Each circuit clerk shall be liable on his official bond to account for the full *amounts* [amount] advanced to him under KRS 28.180 *and Section (1) of this Act.* Each circuit clerk shall file a *separate* statement *concerning each imprest fund* with the Department of Finance, in such form as the department prescribes, showing the amounts disbursed since the last preceding report, accompanied by a receipt for each amount disbursed signed by the person to whom it was paid, and showing the date of the payment [and the days of service for which payment was made,] and such other information as the department prescribes. *These reports* [This report] shall be forwarded to the Department of Finance within *thirty* [twenty] days after the term of court has ended, or in the case of courts of continuous session, within *thirty* [twenty] days after the end of the period for which funds are advanced.

Section 5. This Act shall become effective on July 1, 1964.

HB 445, AN ACT relating to money to be paid into the treasury or deposited in designated depositories.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Subsection 1 of Section 41.070 of the Kentucky Revised Statutes is amended to read as follows:

(1) Unless otherwise expressly provided by law, no receipts from any source of state money or money for which the state is responsible shall be held, used or deposited in any personal or special bank account, temporarily or otherwise, by any agent or employe of any *agency* [budget unit], to meet expenditures or for any other purpose. All receipts of any character of any *agency* [budget unit], all revenue collected for the state, and all public money and dues to the state shall be paid promptly into the State Treasury in the form in which received through and upon written permit of the Department of Finance. [, except that in the case of state departments or agencies located outside Frankfort, and all state institutions,] The Department of Finance may permit temporary deposits to be made to the accounts maintained by *any agency* [the agency, department, or institution] in a bank which has been designated as a depository for state funds for a period not to exceed thirty days, and may require that the money be forwarded to the State Treasury at the time and in the manner and form prescribed by the department. *Any agency which has been granted permission by the Department of Finance to make temporary deposits in a bank which has been designated as a depository for state funds shall promptly deposit all receipts of the agency with the desiganted depository in the form in which received by the agency.* Nothing in this section shall be construed as authorizing any representative of any agency [, department, or institution] to enforce or cash, even for the purpose of a deposit, any check or other instrument of value payable to the Commonwealth or any agency thereof.

HB 446, AN ACT prohibiting collusion among bidders on state invitations and false swearing in regard thereto and providing penalties therefor.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 42 of the Kentucky Revised Statutes is created to read as follows:

(1) Any agreement or collusion among bidders or prospective bidders which restrains, tends to restrain, or is reasonably calculated to restrain competition by agreement to bid at a fixed price, or to refrain from bidding, or otherwise, is prohibited.

(2) Each bid submitted on state invitations shall be accompanied by a sworn statement that the bidder has not been a party to any agreement or collusion to restrain or otherwise limit competition.

Section 2. A new subsection of Section 42.990 of the Kentucky Revised Statutes is created to read as follows:

(1) Any person who violates any of the provisions of subsection 1 of Section 1 of this Act shall, upon conviction, be fined not less than five thousand dollars nor more than ten thousand dollars, or be imprisoned not less than one year nor more than five years, or both such fine and imprisonment. Any firm, corporation, or association which violates any of the provisions of subsection 1 of Section 1 of this Act shall, upon conviction, be fined not less than ten thousand dollars nor more than twenty thousand dollars. (2) Any person who violates the provisions of subsection 2 of Section 1 of this Act shall be subject to prosecution under KRS 432.170.

HB 447, AN ACT relating to the treatment of erroneous payments later recovered.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 45.240 of the Kentucky Revised Statutes is amended to read as follows:

(1) Whenever any payment from public money is made in error, or for an amount in excess of the amount found to be properly due and payable, and the payment or excess amount is later recovered, the balance in the appropriation from which the payment was made shall be increased by the amount recovered, and the amount recovered shall be deducted from the disbursements from that appropriation.

(2) If the payment or excess amount which is later recovered is in the form of an unnegotiated State Treasurer's check, said check shall be transmitted direct to the State Treasurer who shall void it. After voiding the check, the State Treasurer shall notify the appropriate agency of the action taken concerning the check.

HB 448, AN ACT relating to the specifications of warrants.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Subsection (1) of Section 41.130 of the Kentucky Revised Statutes is amended to read as follows:

Each warrant of the Department of Finance upon the Treasury shall specify upon its face the date, number, amount, person to whom payable, on what account issued, and the particular appropriation against which it is drawn, and no money shall be disbursed by the Treasurer unless the warrant contains these specifications. The Department of Finance shall date and number each warrant, beginning the first day of July and ending the thirtieth day of June, *except that any warrants drawn subsequent to said thirtieth day of June and prior to the first day of October in payment of claims applicable to the fiscal year just ended may continue to be numbered in the same numerical sequence of those warrants drawn during the fiscal year just ended.*

HB 416, AN ACT relating to the licensing of motor vehicles.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 186.058 of the Kentucky Revised Statutes is hereby amended to read as follows:

Motor vehicles registered under subsection (3) of KRS 186.050, which are used exclusively *for the transportation of concrete from a plant to a destination within fifty air miles thereof or* for the transportation of coal from the point at which such coal is mined to a railroad or tipple, where such railhead or tipple is located at a point not more than fifty air miles from the point at which such coal is mined *or for the transportation of soil conservation equipment machinery,* shall not be required to pay the fee as set out in subsection (1) of KRS 186.055. The applicant's signature upon the registration receipt shall constitute a certification that the motor vehicle will not be used during the current registration period in any manner other than that for which exemption is provided in this section and that there has been printed conspicuously on each side of the vehicle, in letters of distinctive color, at least three inches in height, the name of the owner and the words "Coal truck", *conservation equipment truck or "concrete truck."*

Said Committee Amendment to **HB 416** is as follows:

Amend printed copy of House Bill 416 on page 2, line 5, by:

inserting between the words "thereof" and "or" the following:

"or for the transportation of tobacco before its processing is started"

HB 449, AN ACT relating to bonds of county and circuit clerks.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 28.020 is amended to read:

(1) Every circuit and county clerk, before entering on the duties of his office, shall execute bond to the Commonwealth, with corporate surety authorized and qualified to become surety on bonds in this state, or with solvent and responsible individuals as surety.

(2) The bond of the circuit clerk shall be executed before and

attested by the county judge, who may approve or reject the sureties offered. The county judge shall return to the circuit court at its next ensuing term a certificate of the oath administered, accompanied by the original bond, whereupon the circuit judge shall pass upon the sufficiency of the bond. If he rejects the bond the clerk shall, at that term of court, execute a satisfactory bond. The bond of the county clerk shall be examined and approved by the county judge.

(3) The bond of both clerks shall be entered on the records of the county court, and the bond of the circuit clerk shall also be entered on the order book of the circuit court. A copy of his bond shall be transmitted by each clerk, within one month after its approval by the county court, to the *Department of Revenue* [Department of Finance], where it shall be recorded and preserved.

HB 474, AN ACT relating to issuance of general obligation bonds of the Commonwealth.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Subject to the provisions of Section 50 of the Constitution of the Commonwealth as hereinafter provided, a direct indebtedness of the Commonwealth in the principal amount of one hundred and seventy six million dollars ($176,000,000), in addition to any and all other bonds and indebtedness of the Commonwealth, shall be incurred by the Commonwealth through issuance of its general obligation bonds (sometimes hereinafter referred to as the 1965 Bonds) for the bond payment of which, when due, both principal and interest, the full faith, credit, resources, and unlimited taxing powers of the Commonwealth shall be irrevocably pledged; and the proceeds thereof not to exceed one hundred and thirty nine million dollars ($139,000,000), hereinafter referred to as "Highway Construction Bonds," shall be and are hereby appropriated and shall be used for construction and reconstruction of highways, bridges, tunnels and other appurtenances wherein there is to be Federal cost participation in any amount or portion thereof; and the proceeds thereof not to exceed thirty seven million dollars ($37,000,000), hereinafter referred to as "General Construction Bonds," are hereby appropriated to the Department of Finance as a General Construction Fund clearing account for state agencies or public purposes including the acquisition of lands, the construction and reconstruction of buildings and structures, installation of service facilities, and the purchase and installation of equipment, facilities, and furnishings of a permanent nature for buildings and structures in the amounts and for the state agnecies or public purposes as follows: Kentucky Industries for the Blind $550,000, School for the Deaf $425,000, School for the Blind $425,000, Department of Education for vocational schools $3,440,000, Department of Libraries $645,000, University of Kentucky $5,783,000, Eastern Kentucky State College, $1,880,000, Kentucky State College $1,416,000, Morehead State College $1,630,000, Murray State College $1,476,000, and Western Kentucky State College $1,880,000, medical education facilities $3,000,000, Department of Mental Health for mental health facilities $2,500,000, Tuberculosis Hospital Commission for Hazelwood T. B. Hospital renovation $250,00, Department of Child Welfare for child welfare facilities $450,000, Department of Health for county health centers $400,000, Health Services Building addition $600,000, Department of Corrections $2,900,000, Department of Agriculture for animal disease diagnostic laboratory $700,000, State Fair Board and Murray State College for livestock sales and exhibition facilities $200,000, Department of Conservation for small lakes $1,000,000, Department of Conservation for forestry facilities $100,000, Department of Parks $4,500,000, Department of Aeronautics for airport facilities $505,000, Department of Public Safety for state police barracks $300,000. None of the proceeds of the bonds authorized to be issued by this Act shall be used for operating expenses. The State Property and Buildings Commission, by resolution adopted from time to time, is authorized to vary the above schdeule and reallocate the proceeds of the General Construction bonds as may be necessary or advisable in its discretion. As provided in Section 50 of the Constitution of the Commonwealth, no part of said indebtedness shall be incurred unless this Act be approved by a majority vote upon submission to the voters at an election, as herein after provided. Such submission shall be at the general election which is to be held on November 2, 1965.

Section 2. (1) The State Property and Buildings Commission may, in its discretion, at one time or from time to time issue and offer for sale upon the same occasion the bonds as authorized in Section 1 of this Act in such amounts or any part of the separately designated blocks of bonds as it may determine to be necessary and shall by resolution give separate and distinctive designations to the General Construction Bonds and the Highway Construction Bonds authorized for the purposes set forth in this Act.

(2) The proceeds of General Construction Bonds shall be segregated from all other moneys and funds and shall constitute the General Construction Bond Fund clearing account; and expenditures shall be made on order of the Commissioner of Finance only for the purposes as set forth in Section 1 of this Act and subject to financial and budgetary procedures as may be provided by law and upon order of the Commission for defraying the expenses incident to the issuance of bonds. Pending expenditure, such proceeds shall be deposited in one or more fiancial institutions, and each institution shall give security by making a valid pledge to the Commonwealth

of United States Government securities approved by said Commission and having an aggregate market value at all times at least equal to the current balance of the deposit; provided, however, said Commission may, in its discretion, cause all or any part of the moneys in the said General Construction Bond Fund to be invested and from time to time reinvested in United States Government securities, and income received from such investments shall be retained in said fund and may be invested and reinvested in like manner. Securities held for the account of said fund shall be converted into cash, upon order of the said Commission, and disbursed and expended whenever required for the designated purposes of the fund.

(3) The proceeds of Highway Construction Bonds issued for the purposes as set forth in Section 1 of this Act shall be segregated from all other moneys and funds and shall constitute the "State Highway Construction Fund of 1965," hereby created; and expenditures therefrom shall be made upon order of the Commissioner of Highways of the Commonwealth for construction or reconstruction of highways, bridges, tunnels and other appurtenances wherein there is to be federal cost participation in any amount or portion thereof; and upon order of the State Property and Buildings Commission for defraying expenses incident to the issuance of bonds. Pending expenditure, such proceeds may be deposited, secured, invested, reinvested, and converted into cash in the same manner as is provided in subsection (2) hereof with reference to the proceeds of the General Construction Bonds.

Section 3. All of said 1965 bonds shall, as aforesaid, be direct general obligation bonds of the Commonwealth and shall be issued with an irrevocable pledge of the full faith, credit, resources, and unlimited taxing power of the Commonwealth, but in accordance with the mandatory requirement of Section 50 of the Constitution of the Commonwealth there shall be levied and collected, annually, taxes sufficient to pay the interest stipulated, and to dischrage the debt within thirty years, as follows:

(1) In order to provide for the payment of the stipulated interest, and to discharge within thirty years the indebtedness to be evidenced by the General Construction Bonds, there shall be levied and collected annually so long as any of such bonds are outstanding and unpaid taxes of the Commonwealth upon all real property, tangible personal property, and intangible personal property from time to time subject to taxation by the Commonwealth, at rates not less than the rates now imposed by law or rates so adjusted as not in any event to jeopardize the prompt payment of principal of and interest on said bonds when due and payable. Proceeds of such taxes, to the extent necessary for payment of the principal of and interest on the General Construction Bonds, as and when such principal and interest,

respectively, shall become due and payable, are hereby appropriated for that purpose; and such amount thereof shall in each year be set aside in the State Treasury in the "General Construction Bond Sinking Fund," hereby created, and shall be held therein and disbursed and used upon order of the State Treasurer solely for the purpose of paying the principal of and interest on said identified bonds when and where due and payable, until all of said bonds, or such lesser amount thereof as may have been issued, within thirty years from date of first issue shall have been paid in full. In each year after setting aside such prescribed amount into the General Construction Bond Sinking Fund, the remainder of the proceeds of said identifide taxes shall be available for any proper general fund purposes of the Commonwealth without restriction. Moneys from time to time set aside and deposited in said General Construction Bond Sinking Fund, as hereinabove provided, may be invested upon orders of the State Property and Buildings Commission from time to time in U. S. Government securities which mature, or are subject to redemption at the option of the holder, at or before the various times when said Commission determines cash funds will be required for payment of the maturing principal of and interest on said identified bonds; and income received from such securities shall be retained in the said General Construction Bond Sinking Fund and may be taken into consideration in the next ensuing annual determination of the amount of such tax proceeds required to be set aside into the said fund as hereinabove provided.

(2) In order to provide for the payment of the stipulated interest, and to discharge within thirty years the indebtedness to be evidenced by the Highway Construction Bonds to be issued for the construction or reconstruction of highways, bridges, tunnels and other appurtenances, there shall be levied and collected, annually, taxes of the Commonwealth for the benefit of the state road fund in the form of license, excise taxes and fees relating to registration, operation, and use of vehicles on public highways and excise taxes, use and license fees and taxes relating to gasoline and other motor fuels consumed upon the public highways in the Commonwealth, at rates not less than the rates now imposed by law or at rates so adjusted as to produce for the road fund not less than the amount now derived from all such sources. Subject to certain prior vested rights hereinafter enumerated, all proceeds of such taxes, to the extent necessary for payment of the principal of and interest on the Highway Construction Bonds as and when such principal and interest, respectively, become due and payable, are hereby appropriated for that purpose; and such amount thereof shall in each year be set aside in the State Treasury into the "Highway Bond Sinking Fund of 1965," hereby created within the state road fund, and shall be held therein and disbursed and used upon order of the State Treasurer solely for the

purpose of paying the principal of and interest on said identified bonds when and where due and payable, until all of said bonds, or such lesser amount thereof as may have been issued, within thirty years from date of first issue shall have been paid in full; provided, however, moneys in said fund may be invested pending disbursement as in the case of moneys in the General Construction Bond Sinking Fund as hereinabove provided. In setting aside moneys from the proceeds of such taxes and fees into the Highway Bond Sinking Fund of 1965, due regard shall be had for any and all vested rights in and to such proceeds existing in favor of (a) the holders of general obligation bonds of the Commonwealth heretofore or hereafter issued and outstanding pursuant to KRS 177.580 to 177.820, except bonds issued for Park purposes thereunder; (b) the holders of revenue bonds issued for construction of the turnpike between Louisville and Elizabethtown, Kentucky, as provided in KRS Chapter 177 and in a certain trust agreement made in connection with the issuance of said bonds, including recognition of the commitment of the Commonwealth to pay the cost of maintaining, repairing, and operating said turnpike; (c) the holders of revenue bonds issued for the construction of certain bridges as set forth in KRS Chapter 180 and in certain trust indentures securing such bridge revenue bonds, including the commitment of the Commonwealth to pay the cost of operating and maintaining such bridges; (d) the holders of Toll Road Bonds issued under the provisions of KRS Chapters 175 and 177; (e) the holders of valid contracts of the Department of Highways which are in existence on the respective dates any bonds are issued pursuant to this Act; and (f) the right of the several counties of the Commonwealth to receive distribution of certain revenues for the respective county road funds as provided in KRS 47.020. The right is reserved to the Commonwealth to provide in the future for the construction of additional turnpikes and bridges and financing the same by issuing revenue bonds; and in all such instances the Commonwealth shall have the right to create for the security and source of payment of such revenue bonds a first and prior pledge of and lien upon any and all revenues identified as being generated by such respective projects. In each year, after setting aside into the Highway Bond Sinking Fund of 1965 the amount herein prescribed, and after due recognition of the rights enumerated above, the remainder of the proceeds derived from such taxes and fees may be expended and used for any lawful and proper purposes of the State Road Fund as otherwise permitted by the Constitution and laws of the Commonwealth.

Section 4. The form of the question which shall be caused to appear on the ballots at the occasion of the General Election to be held November 2, 1965, shall be as follows:

Are you in favor of the Act of the General Assembly known as House Bill, No. ------------, enacted at the regular session 1964 wherein it is proposed that the Commonwealth issue and sell its General Obligation Bonds in addition to all bonds heretofore authorized by the voters in the principal sum of one hundred and seventy six million dollars ($176,000,000), from the proceeds of which one hundred and thirty nine million dollars ($139,000,000) will be set aside for construction or reconstruction of highways, bridges, tunnels and other appurtenances wherein there is to be federal cost participation in any amount or portion thereof; and thirty seven million dollars ($37,000,000) will be set aside for state agencies and public purposes for the acquisition of lands, the construction and reconstruction of buildings and structures, installation of service facilities, and the purchase and installation of equipment, facilities, and furnishings of a permanent nature for buildings and structures for the state agencies or public purposes as follows: Kentucky Industries for the Blind, School for the Deaf, School for the Blind, Department of Education for vocational schools, Department of Libraries, University of Kentucky, Eastern Kentucky State College, Kentucky State College, Morehead State College, Murray State College, and Western Kentucky State College, medical education facilities, Department of Mental Health for mental health facilities, Tuberculosis Hospital Commission for Hazelwood T.B. Hospital renovation, Department of Child Welfare for child welfare facilities, Department of Health for county health centers, Health Services Building addition, Department of Corrections, Department of Agriculture for animal disease diagnostic laboratory, State Fair Board and Murray State College for livestock sales and exhibition facilities, Department of Conservation for small lakes, Department of Conservation for forestry facilities, Department of Parks, Department of Aeronautics for airport facilities, Department of Public Safety for state police barracks?

Section 5. Provisions of this Act shall be submitted to the people of the Commonwealth at the general election to be held on November 2, 1965. The fact of such submission shall be publicly advertised in the following ways:

(1) It shall be the duty of the Attorney General to prepare and furnish to the Secretary of State, not later than September 14, 1965, a form of "Notice of Election," which shall be so designated, shall conform to any requirements otherwise provided by law for notices of elections, and further shall set forth the proper ballot question in full, and provisions of this Act in full, with provisions for the signature or a facsimile of the signature of the Secretary of State. The Secretary of State shall transmit a copy of such form of "Notice of Election" to each of five daily newspapers of bona fide general cir-

culation, published in different areas of the Commonwealth and selected in the discretion of the Secretary of State, with directions that the same be published in each of such newspapers in the form of a legal notice, in one issue published in each of the calendar weeks commencing on Mondays, October 11, 18, 25, and November 1, 1965, but not in any Sunday issue. Each such newspaper shall publish the same as directed in the size type customarily used by it in publishing legal notices, and shall be entitled to payment according to its standard prevailing rate for publication of legal notices. After the last publication, each such newspaper shall provide to the Secretary of State, with or before its bill for publication, at least three copies of an affidavit sufficient to constitute proper proof of publication, and if the Secretary of State finds the same to be in order he shall be authorized to draw a warrant upon the State Treasurer for payment from uncommitted moneys in the general fund of the Commonwealth.

(2) The Secretary of State shall deliver a copy of said form of "Notice of Election" to the state printer, and thereupon the state printer shall promptly prepare and furnish to the Secretary of State at least 125 copies of such notice in the form of handbills of sufficient size and type composition as to be ordinarily legible. The Secretary of State shall furnish a copy of the notice in such handbill form to the clerk of the county court of each county of the Commonwealth, and it shall be the duty of each county court clerk, upon receiving the same, to post the same at or near the county courthouse door, or otherwise as notices of judicial sales and other court proceedings are customarily posted.

(3) Each county court clerk shall cause a facsimile of the ballot question to be published as may be required by law.

(4) If the Secretary of State shall perform in proper and timely fashion each of the duties provided in this section to be performed by him, any failure of others to perform duties and functions as herein provided shall not invalidate the election as to approval or disapproval of this Act, if upon consideration of the Commonwealth as a whole, it shall appear that the qualified voters were fairly apprised of the election.

Section 6. Said election shall be conducted in conjunction with the general election otherwise provided by law to be held on the same day, by the same election officers and at the same polling places. The votes cast in favor of and against this Act shall be canvassed and certified to the State Board of Election Commissioners as in the case of votes cast in the election of officers of the state at large. If it be found that a majority of the votes cast on the question were in favor of his Act the State Board of Election Commissioners shall so certify to the Governor and the Governor shall proclaim that this Act has been approved and is in effect.

Section 7. If this Act be approved by a majority of the votes cast thereon at said election, the initial date of issue of the 1965 bonds shall be established by resolution of the State Property and Buildings Commission prior to the first issuance and sale of any of said bonds; and thereafter all of the 1965 bonds, whenever issued, shall be dated as of said date, and shall mature as to principal on or prior to the thirtieth anniversary thereof. The bonds shall be sold for not less than par or face amount and shall bear interest at such rate or rates, but not to exceed the then prevailing maximum interest rate for the Commonwealth generally, as said Commission may determine, and interest may be made payable semi-annually. The bonds may be issued at one time or from time to time as the State Property and Buildings Commission may determine by its resolution or resolutions. Said Commission shall in its discretion determine all details thereof, including, but not by way of limitation, their denominations; whether the bonds shall be of term or serial maturities, and the amount which shall mature on any serial maturity date; whether the bonds, or any of them, shall be subject to redemption prior to stated maturities and upon what terms; place or places of payment of principal and interest, which may be within the Commonwealth or outside thereof; whether interest shall be evidenced by annexed coupons; whether the bonds shall be registered or registrable as to principal or interest, or both, and pertinent provisions regarding subsequent conversion as well as any other details not contrary to law or inconsistent with this Act which in the discretion of said Commission may appear wise and expedient.

Section 8. The bonds shall be sold by said Commission, in its discretion, at one sale or from time to time as funds are required for the identified purposes. Each sale shall be upon sealed purchase bids which shall be publicly opened and considered after solicitation at least ten days in advance by publication of a notice at least one time in a financial newspaper or journal published in the City and State of New York, and at least one time in a daily newspaper published in the Commonwealth and of bona fide general circulation throughout the Commonwealth. The Commission may fix one or more interest rates by resolutions adopted prior to publication of the solicitation notice, or may notify bidders to stipulate in their bids one or more interest rates of their own choosing and fix the rate or rates by resolution when action is taken upon the bids. The Commission shall reserve the right to reject bids.

Section 9. The bonds and receipt of interest thereon shall be exempt from all taxation by the Commonwealth and its political subdivisions, municipalities, and taxing districts. The bonds shall be signed in the name of the Commonwealth by the facsimile signatures of the Governor and Treasurer of the Commonwealth, and the Great

Seal of the Commonwealth or a facsimile thereof shall be affixed thereto and attested by the validating manual signature of the Secretary of State, and the interest coupons, if any, shall be executed by the facsimile signature of the Treasurer. In case any officer whose signature or facsimile thereof shall appear on any bonds or coupons shall cease to be such officer before delivery of the bonds, such signature or facsimile thereof shall, nevertheless, be valid and sufficient for all purposes, the same as if he had remained in office until delivery. The signature or a facsimile of the signature of any officer holding office at the time such signature or facsimile signature is caused to appear on any bonds or coupons shall be valid and sufficient whether or not such officer or officers held said respective offices at the date of the bonds. All bonds issued under the provisions of this Act shall have and are hereby declared to have all the incidents of negotiable instruments. Prior to the preparation of definitive bonds, the Commission may issue temporary bonds or certificates, exchangeable for definitive bonds when the same shall have been executed and are ready for delivery; and provisions may also be made for the replacement of any bonds which shall become mutilated, or be destroyed or lost. Bonds may be issued under the provisions of this Act without obtaining the consent of any department, division, commission, board, bureau, or agency of the Commonwealth and without any other proceedings or the happening of any conditions, events or things other than the proceedings, conditions, events and things which are specifically required by this Act.

Section 10. As used in this Act "year" means the fiscal year of the Commonwealth, commencing on the first day of July, and ending on the next ensuing thirtieth day of June, unless the context clearly shows a different meaning.

HB 181, AN ACT relating to weights and measures.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 363.240 is amended to read:

(1) The department shall have the power to:

(a) Inspect, test, try and ascertain if they are correct, all weights, measures, and weighing or measuring devices kept, offered or exposed for sale in this state, or commercially used or employed in proving the size, quantity, extent, area or measurement of quantities, things, produce or articles for distribution or consumption, purchased or offered or submitted for sale, hire or award, or in computing any charge for services rendered on the basis of weight or measure, *or when used by any corporation or person in his business or occupation to prove or determine the size, quantity, extent area or* *measurement of quantities and things purchased,* or in determining weight or measure when a charge is made for such determination, except that this power shall not extend to meters of public utility companies which are tested by authority of the Public Service Commission, and except that this power shall be subject to the provisions of KRS 351.180 and 352.520.

(b) Inspect, test and weigh all packaged commodities purchased or offered for sale in this state to ascertain if they are correctly labeled as to weight, measure or numerical count.

(2) For the purposes mentioned in subsection (1) and in the enforcement and administration of KRS 363.170 to KRS 363.290, the director and inspectors in the employ of the division may, without warrant, enter and go into or upon any stand, place, building or premises, or stop any vendor, peddler, itinerant buyer, or person in charge of any delivery vehicle, and require him, if necessary, to proceed to some suitable place where the inspection or test contemplated by this section may be made.

Said Committee Amendment to **HB 181** is as follows:

Amend printed copy of House Bill 181 on page 2, line 9, Section 2, by:

By deleting Section 2 in its entirety.

HB 422, AN ACT relating to property taxes.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Personal property of non-residents of the state in their original package or fungible goods in bulk, belonging to a non-resident of the state, shipped into this state and placed in a public warehouse for the purpose of trans-shipment to an out-of-state or within-the-state destination and so designated on the original bill of lading, or personal property of residents of the state in their original package and fungible goods in bulk, belonging to a resident of the state, placed in a public warehouse for the purpose of trans-shipment to an out-of-state destination and so designated on the original bill of lading, shall, while so in the original package, or as fungible goods in bulk, in such warehouse, be subject to an annual ad valorem tax to the state equal to five cents upon each one hundred dollars of the fair cash value of such personal property. No portion of a premises owned or leased by a consignor or consignee, or a subsidiary of a consignor or consignee, shall be deemed to be a public warehouse within the meaning of this Act despite any licensing as such.

Section 2. No other tax shall be assessed by the state or any county, city or other taxing district on such personal property, or against the owner with respect thereto, while such property is in the original package, or as fungible goods in bulk in such warehouse.

HB 454, AN ACT relating to the Department of Military Affairs.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 36.020 of the Kentucky Revised Statutes is amended to read as follows:

The Governor, immediately on his induction into office, shall appoint the Adjutant General, who shall be not less than thirty years of age and who shall have served honorably, or be serving, as a commissioned officer of the armed forces of the United States. The Governor shall issue a commission to The Adjutant General in the grade of Major General. The commission shall automatically be vacated when the Adjutant General is relieved from duty or at the expiration of the term of the Governor appointing him. The Adjutant General shall execute bond in the sum of ten thousand dollars. *The Adjutant General shall be compensated at the base pay, not including subsistence and quarters allowances, as provided in KRS 38.200, or as prescribed in KRS 64.640.*

Section 2. Section 36.025 of the Kentucky Revised Statutes is amended to read as follows:

(1) *The Governor, with the recommendation of the Adjutant General, may appoint a Deputy Adjutant General, who at the time of appointment shall be at least thirty years of age and shall be serving as a commissioned officer in the Kentucky National Guard. The Governor shall issue a commission to the Deputy Adjutant General in the grade of Brigadier General, provided such individual is qualified for Federal recognition in that grade. The position of Deputy Adjutant General shall require fulltime employment in the Department of Military Affairs. Such appointment shall be for tenure of office of the appointing authority. The Deputy Adjutant General shall be compensated at the base rate of pay, not including subsistence and quarters allowances as provided in KRS 38.200, or as prescribed in KRS 64.640.*

(2) The Governor, with the recommendation of the Adjutant General, may appoint an Assistant Adjutant General for the Army National Guard and an Assistant Adjutant General for the Air National Guard, who at the time of appointment shall be at least thirty years of age and shall be serving as a commissioned officer in the Kentucky National Guard. The Governor shall issue a commission to each such Assistant Adjutant General in the grade of Brigadier General, provided such individual is qualified for Federal recognition in that grade. Such appointment shall be for the tenure of office of the ap-

pointing authority. *The Assistant Adjutants General may be compensated, for all state service performed by them, as provided in KRS 38.200.*

Section 3. Section 36.030 of the Kentucky Revised Statutes is amended to read as follows:

The office of the Adjutant General, *Deputy Adjutant General,* or Assistant Adjutants General shall not necessarily be incompatible with or serve to vacate the commission in the Kentucky National Guard held by the officer appointed as The Adjutant General, *Deputy Adjutant General,* or Assistant Adjutant General at the time of his appointment, nor shall it be incompatible with any office of the National Guard to which he might be promoted or appointed, nor interfere with or prevent his attending to the duties of the office held at the time or to which he may thereafter be promoted or appointed.

HB 432, AN ACT relating to barbers and cosmetologists and hairdressers.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 317.450 of the Kentucky Revised Statutes is amended to read as follows:

(1) The barber board shall issue a license to practice barbering to any person who:

(a) Is at least eighteen years of age;

(b) Is of good moral character and temperate habit;

(c) Has acted as a licensed apprentice for at least eighteen months under the constant supervision of a licensed barber;

(d) Has satisfactorily passed the examination prescribed by the barber board, and

(e) Has paid a fee of [fifteen] *ten* dollars.

(2) The barber board shall issue a license to act as apprentice to a barber to any person who:

(a) Is at least 16½ years of age;

(b) Is of good moral character and temperate habit;

(c) Has at least four years of high school education;

(d) Has graduated from an accredited or licensed school of barbering;

(e) Has satisfactorily passed the examination prescribed by the barber board; and

(f) Has paid a fee of five dollars.

(3) The barber board shall issue a license to operate a barber shop to any barber licensed under the provisions of this chapter upon application of such barber accompanied by a fee of [three] *fifty*

dollars provided that the barber board shall refuse to issue such a license upon a failure to comply with the provisions of this chapter or the rules and regulations of the board adopted pursuant thereto.

(4) The barber board shall issue a license to operate a school of barbering to any person, firm or corporation who or which:
(a) Applies therefor upon forms furnished by the board;
(b) Has the equipment and facilities which may be required by rules and regulations of the board adopted pursuant to this chapter;
(c) Furnished any evidence deemed necessary by the board in the exercise of a sound discretion that it is the purpose of the applicant to establish a bona fide school for the education and training of competent barbers and can and will employ a sufficient number of licensed teachers of barbering to conduct such school;
(d) Pays a fee of [fifty] *one thousand* dollars.

(5) The barber board shall issue a license to teach barbering to any person who:
(a) Is of good moral character and temperate habit;
(b) Has a high school education and at least two years of college *or has been a licensed and practicing barber for at least eight years;*
(c) Has satisfactorily passed the examination prescribed by the board; and
(d) Has paid a fee of [ten] *twenty-five* dollars.

(6) Application for examinations required by this section shall be accompanied by an examining fee as follows:
(a) Barber—[fifteen] *twenty* dollars;
(b) Apprentice to a barber—ten dollars, and
(c) Teaching barbering—[twenty-five] *thirty-five* dollars.

(7) Licenses issued pursuant to this section shall expire on the first day of July next following the date of their issuance but the board shall renew any license so expiring at no increased renewal fee if the required annual renewal license fee is paid within thirty-one days after the expiration of such license, provided that the application for a renewal is otherwise in compliance with this chapter and the rules and regulations of the board adopted pursuant thereto.

(8) The annual renewal license fee for each type of license renewal shall be as follows:
(a) Barber—[five] *seven* dollars;
(b) Apprentice to barber—five dollars;
(c) Teacher of barbering—[ten] *fifteen* dollars;
(d) Barber shop—[three] *six* dollars;
(e) Barber school—[twenty-five] *fifty* dollars.

(9) Except as provided in Section 7, herein, the fee for the

renewal of an expired license, where the period of expiration does not exceed five years shall be as follows:

(a) Barber—[twenty-five] *fifteen* dollars; *for the first year of delinquency and for each year of delinquency thereafter a fee of ten dollars per year;*
(b) Apprentice—[twenty-five] *fifty* dollars;
(c) Barber shop—[three] *twelve* dollars;
(d) Barber school—[fifty] *one hundred* dollars;
(e) Teacher of barbering—[fifty]*seventy-five* dollars.

(10) *Any expired license where the period of expiration exceeds five years, shall be as follows:*

(a) Barber—must retake and pass the examination in practical and pay a fee of twelve dollars for each year of delinquency.
(b) *Apprentice barber—must complete one hundred fifty hours additional training in an accredited school of barbering.*
(c) *Teacher of barbering—must retake and pass both the science and practical examination as prescribed by the board.*

Section 2. Section 317.490 of the Kentucky Revised Statutes is hereby amended to read as follows:

(1) The cosmetologist board may employ inspectors and such other personnel as may be reasonably necessary to carry out the provisions of this chapter, whose compensation shall be established within budgetary limits by the Department of Personnel.

(2) The cosmetologist board shall employ and prescribe the duties of an administrator who shall be charged with the responsibility of administering the provisions of this chapter, the policies and regulations of the board relating to cosmetology.

(3) No person shall be employed as an administrator unless he is a licensed cosmetologist. [or meets the qualifications established by the Department of Personnel for this position.]

Section 3. Section 317.500 of the Kentucky Revised Statutes is amended to read as follows:

(1) The cosmetologist board shall issue a license to act as a manicurist to any person who:

(a) Is at least [16½]—*18* years of age;
(b) Is of good moral character and temperate habit;
(c) Has completed satisfactorily a manicuring course of study of three hundred hours in an accredited school of cosmetology;
(d) Has satisfactorily passed an examination prescribed by the board to determine fitness to practice as a manicurist, and
(e) *Has paid a fee of eight dollars;*
(f) *Has four years of high school or its equivalent.*

(2) The cosmetologist board shall issue a beauty specialist license to any person who:

(a) Has at least [two] *four years* of high school education, or its equivalent;

(b) Is at least eighteen years of age;

(c) Has practiced as a licensed cosmetology apprentice for at least twelve months under the immediate supervision of a licensed cosmetologist;

(d) Has satisfactorily passed an examination prescribed by the board to determine fitness to practice cosmetology; and

(e) Has paid a fee of [eight] *ten* dollars.

(3) The cosmetologist board shall issue a license to operate a school of cosmetology to any person, firm or corporation who or which:

(a) Has such equipment, supplies and facilities as may be required by rules and regulations of the board;

(b) Has furnished evidence or proof deemed necessary by the board in the exercise of a sound discretion that it is the purpose of the applicant to establish a bona fide school for the education and training of competent cosmetologists and will employ a sufficient number of licensed teachers of cosmetology to conduct such school;

(c) Complies with the rules and regulations of the board regarding courses, curriculum, hours of instructions;

(d) Otherwise complies with this chapter, *and*

(e) *Has paid a fee of one thousand dollars.*

(4) The cosmetologist board shall issue a license to operate a beauty [shop] *salon* to any licensed cosmetologist upon application of such cosmetologist accompanied by a fee of [three] *fifty* dollars provided that the board may refuse to issue such a license upon a failure to comply with the provisions of this chapter or the rules and regulations of the board adopted pursuant thereto.

(5) The cosmetologist board shall issue an apprentice cosmetologist license to any person who:

(a) Is at least [16½] *17 years* of age;

(b) Is of good moral character and temperate habit;

(c) Has at least [two] *four* years high school education or its equivalent;

(d) Has graduated from an accredited school of cosmetology;

(e) Has passed an examination prescribed by the board to determine fitness to practice as an apprentice cosmetologist, and

(f) Has paid a fee of [three] *five* dollars.

(6) The cosmetologist board shall issue a license to teach cosmetology to any person who:

(a) Is of good moral character and *has* [at least two years of college] *60 hours from an arts and science school; or a cosmetologist with five years experience;*

[(b) Has a high school education and at least two years of college;]

(b) Has been a licensed and practicing cosmetologist for at least [twelve months] *five years;*

(c) Has satisfactorily passed the examination prescribed by the board, and

(d) Has paid a fee of [ten] *twenty-five* dollars.

(7) The board shall issue a license to conduct a post-graduate cosmetologist and advanced hair stylist school to any person complying with reasonable rules and regulations with regard thereto and who pays [the required] a license fee [required herein] of *two hundred dollars.*

(8) Licenses issued pursuant to this section shall expire on the first day of July next following the date of their issuance but the board shall renew any license so expiring at no increased renewal fee if the required annual renewal license fee is paid within thirty-one days, after the expiration of such license, provided that the applicant for a renewal is otherwise in compliance with this chapter and the rules and regulations of the board adopted pursuant thereto. Any license shall automatically be renewed by the board upon receipt of the required annual license fee prior to the expiration of such license, provided the applicant for the renewal is in compliance with the provisions of this chapter and the rules and regulations of the board adopted pursuant thereto.

(9) The annual renewal license fee for each type of license renewal shall be as follows:

(a) Cosmetologist—[five] *eight* dollars;
(b) Apprentice cosmetologist—five dollars;
(c) Teacher of cosmetology—[ten] *fifteen* dollars;
(d) Beauty [shop] *salon*—[three] *six* dollars;
(e) Cosmetology school—[twenty-five] *fifty* dollars;
(f) Manicurist—[three] *five* dollars;
(g) Post-graduate school—[twenty-five] *fifty* dollars;

(10) Applications for examinations required by this section shall be accompanied by an examining fee as follows:

(a) Cosmetologist—[fifteen] *twenty* dollars;
(b) Apprentice cosmetologist—ten dollars;
(c) Cosmetology teacher—[twenty-five] *thirty-five* dollars;
(d) Manicurist—ten dollars.

(11) Except as provided in paragraph 8 hereof, the fee for the renewal of an expired license where the period of expiration dos not exceed five years shall be as follows:

(a) Cosmetologists—[twenty-five] *fifteen* dollars *for the first year of delinquency and for each year of delinquency thereafter a fee of ten dollars per year.*

(b) Apprentice cosmetologist—[twenty-five] *fifty* dollars;

(c) Beauty [shop] *salon*—[three] *twelve* dollars;

(d) Cosmetology school—[fifty] *one hundred* dollars;

(e) Manicurist—[ten] *twenty-five* dollars;

(f) Post-graduate school—[fifty] *one hundred* dollars;

(g) Teacher of cosmetology—[fifty] *seventy-five* dollars;

(12) *Any expired license where the period exceeds five years shall be as follows:*

(a) *Cosmetologist must retake and pass examination in both practical and science and a fee of twelve dollars for each year of delinquency.*

(b) *Apprentice cosmetologist must complete one hundred fifty additional hours training in an accredited school of cosmetology;*

(c) *Teacher of cosmetology must retake and pass both the practical and science examination as prescribed by the board.*

Section 4. Section 317.540 of the Kentucky Revised Statutes is hereby amended to read as follows:

(1) No license shall be renewed or issued by the barber board to any barber school, nor shall any license be issued by the cosmetologist board to any cosmetology school unless such school provides:

(a) As a prerequisite of graduation a prescribed course of instruction of not less than fifteen hundred hours to be given within an uninterrupted period with not more than eight hours nor less than four hours of instruction a day, exclusive of Sundays;

(b) Courses of instruction in histology of the hair, skin, nails, muscles and nerves of the face and neck; elementary chemistry with emphasis on sterilization and antiseptics; disease of the skin, hair and glands; massaging and manipulating of the muscles of the upper body; cutting, shaving, arranging, dressing, coloring, bleaching and tinting the hair and such other courses as may be prescribed by regulation of the appropriate board;

(c) Such facilities, equipment, materials, and qualified teachers as may be required by rules and regulations of the *barber's* [appropriate] board adopted pursuant to this Act, but in no event shall any *barber* school have fewer than one licensed teacher per fifteen students or more than two students per chair, *nor shall any cosmetology school have fewer than one licensed teacher per eighteen students.*

Section 5. Section 317.560 of the Kentucky Revised Statutes is amended to read as follows:

(1) By agreement of the barber board and the cosmetologist board, persons employed by either may be designated as agents for

both in such duties as may be assigned such employee in carrying out the provisions of this chapter.

(2) Such equipment, supplies and records as are now held by the Board of Barber and Beauty Examiners, which is abolished by this chapter, shall be appropriately divided between the two boards created by this chapter according to the nature of such equipment, supplies and records.

(3) The principal offices of both boards created by this chapter shall be located in such place as will enable the board to have ready access to records and technical assistance of the State Department of Health.

(4) The State Department of Health shall give cooperation and technical advice and assistance to the boards created by this chapter.

(5) The Governor shall appoint an executive director *to act as* fiscal agent who shall *be a licensed barber or cosmetologist with five years experience, or a person with five years experience or training in the management of administrative affairs,* [have been a practicing barber or cosmetologist for at least five years] who shall act as coordinator of the administration of this Act by the Barber Board and the Cosmetologist Board. The executive coordinator shall serve a term of four years unless sooner removed by the Governor, and shall receive a compensation *set by the personnel board with the approval of the Governor and subject to the general laws of the state.* [of $8,500.00 per annum.] The Governor, after consultation with the boards, shall fix the duties of the executive coordinator.

Section 6. A new section of the Kentucky Revised Statutes is created to read as follows:

The Barber Board and Cosmetologist Board may limit in their discretion the number of licenses for schools in this state or any political subdivision and restrict the locations of licensed premises. To this end the boards may make reasonable division and subdivision of the state or any political subdivision into districts. Regulations relating to the granting, refusal and revocation of licenses may be different within the several divisions of subdivisions. The Barber Board in its discretion may restrict the location of licensed premises of barber shops. To this end the board may make reasonable division and subdivision of the state or any political subdivision into districts. Regulations relating to the granting, refusal and revocation of licenses may be different within the several divisions of subdivisions.

Section 7. Section 317.470 of the Kentucky Revised Statutes is amended to read as follows:

The Barber Board may employ such personnel as may be reasonably necessary to carry out the provisions of this Act, whose compensation shall be established by the Department of Personnel. The board shall by appropriate order employ an administrator who shall be *a licensed barber for five years and who shall be* charged with the responsibility of administering the provisions of this Act, and the policies of the board relating to barbering. The administrator may receive a salary of $7,500 per annum, or such compensation as may be established by classification of the position by the Department of Personnel.

Section 8. A new section of the Kentucky Revised Statutes is created to read as follows:

(a) This law is enacted in the interest of public health, public safety and general welfare; that the occupation of barbering and the operation of barber shops is hereby declared to be affected with the public interest; and in order to attain the purposes of this law in promotion and conserving fair competition and salutary and sanitary practices, reasonable minimum charges should prevail for services customarily performed by barbers and reasonable opening and closing hours for barber shops should be established under the provisions hereof.

(b) Whenever a petition signed by seventy-five percent of all the barbers holding certificates of registration and regularly engaged in barbering in any county of the state is filed with the appropriate board and it appears therefrom to the board that unfair or unreasonable economic practices prevail among barbers or barber shops in such county, which may tend to make insecure the economic status of the barbers therein, or that the hours of operation of barber shops in such county are unreasonably long or irregular and tend to make difficult adequate and timely sanitary inspection or tend to impair the health or efficiency of barbers or to endanger the health or safety of their patrons, it shall be the duty of the board to investigate and determine whether the conditions or practices above mentioned, or any of them, prevail in such county and if found to exist or to be threatened by conditions existing therein, the board may, by official order, after due notice and hearing as provided for herein, promulgate scales of reasonable, minimum prices to be charged for barber services in such county and may establish reasonable opening and closing hours for barber shops therein and may make and promulgate such other reasonable orders, rules and regulations as may be calculated to promote the purposes of this law as herein expressed.

Section 9. Whereas the Barbers and Cosmetologists Boards and their professions desperately need the increased fees to continue to operate, an emergency is declared to exist and this Bill shall become effective upon its passage and approval by the Governor.

Said Committee amendments to **HB 432** are as follows:

Amend printed copy of House Bill 432 on page 11, lines 4 and 5, by: striking out the words "or a person with five years experience or training in the management of administrative affairs,"

Amend printed copy of House Bill 432 on page 11, lines 15 to 28 by: striking out all of said lines. And on page 12, line 1, by striking out all of said lines.

Amend printed copy of House Bill 432 on page 11, line 24, by: inserting a bracket before the word "the" and on line 25 by inserting a bracket after the word "shops."

HB 483, AN ACT relating to Workmen's Compensation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 342.001 of the Kentucky Revised Statutes is amended to read as follows:

As used in this Chapter unless the context requires otherwise;

(1) "Board" means the Workmen's Compensation Board;

(2) "Director" means the director of the Workmen's Compensation Board.

Section 2. Section 342.005 of the Kentucky Revised Statutes is amended to read as follows:

(1) This chapter shall apply to all employers having three or more employes regularly engaged in the same occupation or business, and to their employes, except that it shall not apply to domestic employment, agriculture, steam railways, or such common carriers other than steam railways for which a rule of liability is provided by the laws of the United States; provided, however, it shall apply to the operators of threshing machines used in threshing or hulling grain or seeds. It shall affect the liability of the employers subject thereto to their employes for a traumatic personal injury sustained by the employe by accident, and for disability resulting from occupational diseases as defined in this chapter, arising out of and in the course of his employment, or for death resulting from such accidental injury or occupational disease; provided, however, that "traumatic personal injury by accident" as herein defined shall not include diseases except where the disease is the natural and direct result of a traumatic injury by accident nor shall it include the results of a pre-existing disease, whether previously disabling or not, but shall include injury or death due to inhalation in mines of noxious gases or smoke, commonly known as "bad air", and also shall include injuries or death due to the inhalation of any kind of gas, and shall also include occupational disease as defined in this chapter.

(2) The board shall apportion the aggregate extent and duration

of disability among the contributing causes including, but not limited to, the following:

(a) "Traumatic injury by accident";

(b) Pre-existing disease previously disabling;

(c) Pre-existing disease not previously disabling but aroused into disabling reality by the injury or occupational disease.

(3) The board shall, in every case, determine whether the provisions of KRS 342.120 are applicable, and if so the board shall proceed in accordance with the law and regulations established for processing claims involving the *Special* [Subsequent Claim] Fund.

(4) Any employers and employes who are, by the provisions of this section, excepted from the provisions of this chapter, including employers having less than three employes, may subject themselves thereto by joint voluntary application to the board, in writing, for such period as may be stated in the application, which shall be irrevocable during such period and effective thereafter until a written revocation be filed with the board or the employment be terminated.

(5) *All employes of departments, administrative bodies, and agencies of the state shall be covered by the provisions of this chapter. The Commissioner of Finance shall exercise the elections necessary to extend coverage to those state employes for which coverage is not otherwise required by this chapter.*

Section 3. Section 342.010 of the Kentucky Revised Statutes is amended to read as follows:

"Employer" as used in this chapter includes municipal corporations and any subdivision or corporation thereof. Any election with reference to this chapter shall be exercised by the law-making or other governing body thereof. ["Employer" as used in this chapter also includes all departments, boards, commissions, and all superintendents or receivers of penal or eleemosynary institutions managed or directed by the Department of Welfare or any other department or agency of the Commonwealth of Kentucky. Any election with reference to this chapter shall be exercised by the Commissioner of Finance.] Nothing contained in this chapter shall amend, repeal or interfere with any statute or ordinance relating to associations or funds for the relief, pensioning, retirement or other benefit of any employe of such municipal employer, [or any of the employes of any state department,] or the widows, children or dependents of such employes.

Section 4. Section 342.020 of the Kentucky Revised Statutes is amended to read as follows:

(1) In addition to all other compensation provided in this chapter, the employer shall furnish for the cure and relief from the effects of an injury or occupational disease, such medical, surgical and hospital

treatment, including nursing, medical and surgical supplies and appliances, as may reasonably be required at the time of the injury and thereafter during disability, or as may be required for the cure and treatment of an occupational disease, but not exceeding a total expense to the employer of [more than] *thirty-five* [twenty-five] hundred dollars. If the employer fails to furnish such treatment reasonably, he shall be liable for the reasonable expense, within the limits of this section, incurred by or on behalf of the employe in providing such treatments. In an emergency, the employe may call in any available physician or surgeon to administer any first aid reasonably necessary at the expense of the employer within the limits of this section. The board, in its discretion, may apportion payments to be made under this section between hospitals and physicians in cases where their aggregate fees and charges would [not] exceed the maximum for which the employer is liable.

(2) However, further medical, surgical and hospital treatment, not to exceed an additional *fifteen hundred* [one thousand] dollars, may be ordered by the board upon application and sufficient showing of justifiable need therefor.

(3) Where a compensable injury or occupational disease results in the amputation of an arm, hand, leg or foot, or the loss of hearing, or the enucleation of an eye or the loss of teeth, the employer shall initially furnish in addition to other medical, surgical and hospital treatment enumerated in subsections (1) and (2) of this section, a modern artificial member and where required proper braces. [but the employer's liability for such artificial member or braces shall not including his liability for medical, surgical and hospital treatment, exceed twenty-five hundred dollars.]

Section 5. Section 342.070 of the Kentucky Revised Statutes is amended to read as follows:

If death should result within two years from an accident for which compensation is payable under this chapter, or from an occupational disease, the employer or his insurer shall pay to the person entitled to compensation, or, if none, then to the personal representative of the deceased employe, reasonable burial expenses of a person of the standard of living of the deceased, not to exceed the sum of five hundred dollars, and shall also pay to or for the following persons compensation as follows:

(1) If there are one or more wholly dependent persons, *sixty-six and two-thirds* [sixty-five] percent of the average weekly earnings of the deceased employe, [but not to exceed thirty-four dollars nor less than sixteen dollars per week shall be payable,] all such payments to be made for the period between the date of death and four hundred weeks *thereafter, subject to the limitations contained in subsections (4) and*

(5) of this section, [after the date of accident to the employe or after the date his disability from an occupational disease began,] or until the intervening termination of dependency. [but in no case to exceed the maximum sum of thirteen thousand six hundred dollars.]

(2) (a) If there are partly dependent persons, the payments shall be such part of what would be payable for total dependency as the partial dependency existing at the time of the accident or after the date his disability from an occupational disease began to the employe is proportionate to total dependency, and all such payments to be made for the period between the date of death and four hundred weeks *thereafter, subject to the limitations contained in subsections (4) and (5) of this section,* [after the date of the accident to the deceased employe, or after the date his disability from an occupational disease began,] or until the intervening termination of dependency. [but in no case to exceed in the aggregate of compensation on account of such death the maximum sum of thirteen thousand six hundred dollars.]

(b) Partial dependency shall be determined by the proportion of the earnings of the employe which have been contributed to such partial dependent during one year next preceding the date of injury or after the date his disability from an occupational disease began; if the relation of partial dependency did not exist for one year next preceding the date of injury, the board shall consider all the facts and circumstances and fix such proportion as is fair and reasonable thereunder.

(3) All relations of dependency referred to in this section shall mean dependency existing at the time of the accident to the employe or at the time his disability from an occupational disease began.

(4) If death occurs as a result of the injury or an occupational disease after a period of total or partial disability, the period of disability shall be deducted from the total period of compensation and the benefits paid thereunder from the maximum allowed for death by this section.

(5) The minimum weekly benefits payable for death under this section shall be twenty-five percent of eighty-five percent of the average weekly wage of the state as determined under subsection (2) of KRS 342.140 and the maximum weekly benefits payable for death under this section shall be fifty percent of eighty-five percent of the average weekly wage of the state as determined under subsection (2) of KRS 342.140.

Section 6. Section 342.080 of the Kentucky Revised Statutes is amended to read as follows:

Compensation to any dependent shall cease at the death or legal or common-law marriage of such dependent or, in the case of a child or children, upon attaining the age of twenty years unless incapacitated from wage earning [.], *except that, if the child or children is enrolled as a full-time student in any accredited educational institution, compensation shall cease upon the termination of such enrollment or upon attaining the age of twenty-five years, whichever shall first occur.* Upon the cessation of compensation to or on account of any person the compensation of the remaining persons entitled to compensation shall, for the unexpired period during which their compensation is payable, be that which such persons would have received during such unexpired period if they had been the only persons entitled to compensation at the time of the accident.

Section 7. Section 342.095 of the Kentucky Revised Statutes is amended to read as follows:

(1) When the injury or occupational disease causes total disability for work, the employer, during such disability, except for the first seven days thereof, shall pay the employe a weekly compensation equal to *sixty-six and two-thirds* [sixty-five] percent of his average weekly earnings, [not to exceed thirty-eight dollars nor less than sixteen dollars per week,] such payments to be made during the period of total disability but not longer than four hundred twenty-five weeks after the date of the injury, or after the date his disability from an occupational disease began. [, nor in any case to exceed a maximum sum of sixteen thousand one hundred and fifty dollars.] If the period of total disability begins after a period of partial disability, the period of partial disability shall be deducted from the total period of four hundred twenty-five weeks during which compensation for total disability may be payable. [, and the payments made on account of such partial disability shall be deducted from the maximum of sixteen thousand one hundred and fifty dollars.]

(2) The maximum basic weekly income benefit for total disability shall not exceed fifty-five percent of eighty-five percent of the average weekly wage of the state, computed as provided in KRS 342.140(2) and rounded to the nearest dollar. The minimum basic weekly income benefit for total disability shall not be less than twenty-five percent of eighty-five percent of the average weekly wage of the state, computed as provided in KRS 342.140(2) and rounded to the nearest dollar.

(3) [(4)] Compensation for an injury or disability to a member shall not exceed the amount allowable for the loss of such member unless the effects of the injury or disability extends beyond the member to the body as a whole so that it destroys a workman's general ability to labor or precludes him from obtaining the kind of work he is customarily able to do.

(4) [(2)] In case of the following injuries or disabilities from occupational disease the disability shall be considered total and permanent:

(a) The total permanent loss of sight in both eyes;
(b) The loss of both feet at or above the ankle;
(c) The loss of both hands at or above the wrist;
(d) A similar loss of one hand and one foot;
(e) A similar loss of one hand and one eye;
(f) A similar loss of one foot and one eye;
(g) A disability to the spine, resulting in permanent and complete paralysis of both arms or both legs, or one arm and one leg;
(h) A disability to the skull resulting in incurable insanity or imbecility.

(5) [(3)] The enumeration in subsection *(4)* [(2)] is not exclusive, but in all other cases the burden of proof shall be on the claimant to prove that his injuries or disability resulting from an occupational disease have resulted in permanent total disability.

Section 8. Section 342.100 of the Kentucky Revised Statutes is revised to read as follows:

(1) In case of an injury or disability from an occupational disease resulting in temporary partial disability, the employe shall receive during such disability, except the first seven days thereof, a weekly compensation equal to *sixty-six and two-thirds* [sixty-five] per cent of the difference between his average weekly earnings before the injury or disability from an occupational disease and the average weekly earnings that he earns, or is able to earn, in some suitable employment during such disability, not to exceed four hundred weeks from the date of injury, or from the date his disability from an occupational disease began [; nor exceeding the sum of thirty-three dollars per week nor the maximum sum of thirteen thousand and two hundred dollars].

(2) The maximum basic weekly income benefits for temporary partial disability shall not exceed 50% of 85% of the average weekly wage of the state, computed as provided by KRS 342.140 (2) and rounded to the nearest dollar.

(3) If partial disability follows a period of total disability, the period of total disability shall be deducted from the maximum period allowed for partial disability.

Section 9. Section 342.105 of the Kentucky Revised Statutes is amended to read as follows:

For injuries or disabilities from an occupational disease enumerated in the following schedule the employe shall receive, in addition to temporary total disability compensation for the period of actual total disability, not exceeding twenty weeks, a weekly compensation equal to *sixty-six and two-thirds* [sixty-five] per cent of his average weekly earnings *subject to the limitations in subsection (5) of KRS 342.070* [but not less than sixteen dollars per week nor exceeding thirty-two dollars per week] for the periods stated *herein* [thereon]:

(1) For the loss of a thumb, [sixty-five percent of the average weekly wages during] sixty weeks.

(2) For the loss of a first finger, commonly called the index finger, [sixty-five per cent of the average weekly wages during] forty-five weeks.

(3) For the loss of a second finger, [sixty-five per cent of the average weekly wages during] thirty weeks.

(4) For the loss of a third finger, [sixty-five per cent of the average weekly wages during] twenty weeks.

(5) For the loss of a fourth finger, commonly known as the little finger, [sixty-five per cent of the average weekly wages during] fifteen weeks.

(6) The loss of the second, or distal phalange, of the thumb shall be considered to be equal to the loss of one-half of the thumb, the loss of more than one-half of the thumb shall be considered equal to the loss of the whole thumb.

(7) The loss of the third, or distal phalange of any finger shall be considered to be equal to the loss of one-third of the finger.

(8) The loss of the middle, or second phalange, of any finger shall be considered equal to the loss of two-thirds of the finger.

(9) The loss of more than the middle and distal phalanges of any finger shall be considered equal to the loss of the whole finger, but in no case shall the amount received for more than one finger exceed the amount provided in this schedule for the loss of a hand.

(10) For the loss of a metacarpal bone (bone of the palm) for the corresponding thumb, finger or fingers above, add ten weeks to the number of weeks as above.

(11) For ankylosis (total stiffness of) or contractures (due to sears or injuries) which makes the fingers useless, the same number of weeks apply to such finger or fingers (including thumb) as given above.

(12) For the loss of a hand, [sixty-five per cent of the average weekly wages during] one hundred fifty weeks.

(13) For the loss of an arm, [sixty-five per cent of the average weekly wages during] two hundred weeks.

(14) For the loss of one of the toes, other than the great toe, [sixty-five per cent of the average weekly wages during] ten weeks.

(15) For the loss of the great toe [sixty-five per cent of the average weekly wages during] thirty weeks.

(16) The loss of more than two-thirds of any toe shall be considered to be equal to the loss of the whole toe.

(17) The loss of less than two-thirds of any toe shall be considered to be equal to the loss of one-half toe.

(18) For the loss of a foot, [sixty-five per cent of the average weekly wages during] one hundred twenty-five weeks.

(19) For the loss of a leg, [sixty-five per cent of the average weekly wages during] two hundred weeks.

(20) For the total and permanent loss of the sight of an eye, [Sixty-five per cent of the average weekly wages during] one hundred weeks, plus an additional twenty weeks in cases where the eyeball is enucleated.

(21) For the total and permanent loss of hearing in one ear, [sixty-five per cent of the average weekly wages during] seventy-five weeks.

Section 10. Section 342.110 of the Kentucky Revised Statutes is amended to read as follows:

(1) In all other cases of permanent partial disability, including any disfigurement which will impair the future usefulness or occupational opportunities of the injured employe, or employe disabled by an occupational disease, compensation shall be determined according to the percentage of disability, taking into account, among other things, any previous disability, the nature of the physical injury or disfigurement, the occupation of the injured employe and age at the time of injury or at the time the disability from an occupational disease began.

(2) Compensation for an injury or disability to a member shall not exceed the amount allowable for the loss of such member unless the effects of the injury or disability extends beyond the member to the body as a whole so that it adversely affects a workman's general ability to labor, or limits his occupational opportunities to obtain the kind of work he is customarily able to do.

(3) The compensation paid therefor shall be *sixty-six and two-thirds* [sixty-five] per cent of the average weekly earnings of the employee, *subject to the limitations contained in KRS 342.070 (5),* [but not less than sixteen dollars nor more than thirty-three dollars] multiplied by the percentage of disability caused by the injury or occupational disease, for such period as the board determines, not exceeding four hundred weeks [nor a maximum sum of thirteen thousand two hundred dollars]. Compensation payable under this section shall not be affected by the earnings of the employe after the accident, or after his disability from an occupational disease, whether they be the same, or greater, or less than prior to the accident or disability from an occupational disease. Whenever the weekly payments under this section would be less than *the minimum*

weekly benefit set out in KRS 342.070 (5), [sixteen dollars per week] the period may be shortened and the payments correspondingly increased to that amount. Where compensation, except as provided in KRS 342.020 and 342.030, is paid under any other provision of this chapter, the period during which such other compensation is paid shall be deducted from the maximum period which may be paid under this section.

Section 11. Section 342.120 of the Kentucky Revised Statutes is amended to read as follows:

(1) A claimant may in the original application for benefits, or either party may by motion while the case is pending, accompanied by proper allegations, and the board shall upon its own motion at any time before the rendition of the final award, cause the *Special* [Subsequent Claim] Fund to be made a party to the proceedings if either or both of the following appears:

(a) The employe is disabled, whether from a compensable injury, occupational disease, pre-existing disease, or otherwise, and has received a subsequent compensable injury by accident, or has developed an occupational disease;

(b) The employee is found to have a dormant non-disabling disease condition which was aroused or brought into disabling reality by reason of a subsequent compensable injury by accident or an occupational disease.

(2) When the *Special* [Subsequent Claim] Fund has been made a party the board shall direct the procedures provided in KRS 342.121.

(3) If it is found that the employe is a person mentioned in subsection (1) (a) or (b) and a subsequent compensable injury or occupational disease has resulted in additional permanent disability so that the degree of disability caused by the combined disabilities is greater than that which would have resulted from the subsequent injury or occupational disease alone, and the employe is entitled to receive compensation on the basis of the combined disabilities, the employer shall be liable only for the degree of disability which would have resulted from the latter injury or occupational disease had there been no pre-existing disability or dormant, but aroused diseased condition.

(4) The remaining compensation for which such resulting condition would entitle the employe, including any compensation for disability resulting from a dormant disease aroused into disabling reality by the injury or occupational disease, but excluding all compensation which the provisions of this chapter would have afforded on account of prior disabling disease or injury had it been compensated thereunder, shall be paid out of the *Special* [Subsequent Claim] Fund provided for in subsection (1) of KRS 342.122. *Such remaining compensation shall be paid directly to the employe by the carrier or self-*

insured employer who is liable for compensation under subsection (3) of this section, and the carrier or self-insured employer shall be reimbursed for such payments from the Special Fund on a quarterly basis and under such reguations as the board may provide for such purpose.

[(5) Upon motion, which notice to the Commissioner of Labor, and it appearing to the board that a claimant who has been awarded compensation under any one of the several provisions of this chapter becomes re-employed or continues in his employment in which he was injured, during the period of such employment or re-employment the payment accruing shall be paid out of the Subsequent Claim Fund; said unpaid portion of the award during such period shall be awarded against the Subsequent Claim Fund and paid by the Commissioner of Labor. Whenever the weekly payments under this section would be less than sixteen dollars per week the period shall be shortened and the payments correspondingly increased to that amount. The employment or re-employment contemplated herein shall be at wages equal to or greater than the employe was receiving at the time of the traumatic injury by accident or at the time of the last injurious exposure to the occupational disease. Upon proper motion or by agreement of the parties the board may order a lump sum payment pursuant to KRS 342.150. The board shall, when this subsection is operative, liberally construe its provisions in favor of the employe with respect to the granting of a lump sum payment, and shall allow such lump sum payment unless it clearly appears that there will be an undue risk of overpayment. This subsection shall affect all unpaid workmen's compensation benefits and shall be applicable to all cases presently pending before the board.]

Section 12. Section 342.121 of the Kentucky Revised Statutes is amended to read as follows:

(1) If on a claim for compensation for disability resulting from a subsequent injury by accident or occupational disease any medical question shall be in controversy, or a determination thereof necessary to the proper apportionment of liability therefor, the board shall refer the case to a physician appointed by it for the purpose of investigating and reporting to the board on the medical questions involved. The physician shall make his report to the Workmen's Compensation Board in writing with respect to all medical questions at issue or necessary to the apportionment of disability between the subsequent injury and in the prior existing disability at the time of employment. The report shall show the date of prior disablement or latent, nondisabling disease, which, if in dispute, shall be deemed a medical question.

(2) The physician appointed as provided in subsection (1) of this section shall be allowed necessary traveling expenses and reasonable fees, to be fixed by the board to each physician for making such examination and report, plus a reasonable allowance for expenses in-

curred in making such examination. The board may also allow traveling expenses to the employe. Such fees and expenses so approved by the board shall be paid out of the *Special* [Subsequent Claim] Fund. [in cases for subsequent injuries or occupational diseases.]

(3) The physician shall, as soon as practicable after he has completed his consideration of the case, but not later than fifteen days after the examination of the employe, report in writing his findings on every medical question in controversy. The physician shall also include in his report a statement indicating the physician or physicians, if any, who appeared before *him* [them], and what, if any medical reports and X-rays were considered by *him* [them].

(4) The decision or award in the case shall conform to the findings and conclusions in such report insofar as restricted to medical questions; provided, however, that any such findings and conclusions may be set aside, reversed or modified, by the board's award or decision, in case an application for review is made to the board within ten days after the report is filed with the board and the interested parties notified, subject, however, to the following special provisions; no such findings of the physician shall be subject to review unless specific objections thereto shall be filed with the board by a party in interest within the time limited in which to apply for review of such report.

(5) The provisions of this section shall apply only to persons mentioned in KRS 342.120.

Section 13. Section 342.122 of the Kentucky Revised Statutes is amended to read as follows:

(1) "Adjusted cost" as used in this section and in KRS 342.475 means all compensation, hospital and medical benefits paid thereunder, plus an additional factor of twelve per cent of such total payments, to cover the administrative cost of the employer. However in no event shall "adjusted cost" be less than fifty per cent of the basic insurance premium computed by applying current manual rates for workmen's compensation insurance to the payroll of every employer carrying his own risk and for this purpose each such employer shall annually furnish payroll data to the Workmen's Compensation Board. "Adjusted cost" shall not include amounts paid for injuries occurring prior to March 22, 1962.

(2) In addition to the taxes and assessments imposed by KRS 342.450 and 342.475, a *Special* [Subsequent Claim] Fund tax at the rate of three-fourths of one per cent of the amount of premiums received shall be paid by every insurance carrier as defined in KRS 342.445, subject to the credits therein set out, and the board shall assess against the "adjusted cost" of every employer carrying his own risk a *Special* [Subsequent Claim] Fund Tax computed by taking three-fourths of one per cent of the "Adjusted Cost" determined as provided

in KRS 342.475. The provisions of KRS 342.450, 342.455, 342.460, 342.465 and 342.470 shall, so far as applicable, also apply to the levy and collection of such additional tax of three-fourths of one per cent of such premiums of insurance carriers.

(3) All taxes and assessments imposed by subsection (2) of this section shall be paid into the State Treasury and shall be credited to the *Special* [Subsequent Claim] Fund for the board, which fund shall be used only for the payment of awards of compensation made by the board and chargeable against said fund, expenses of legal representation thereof, fees and expenses of the physicians in connection therewith, and shall be withdrawn for that purpose under the supervision of the Commissioner of Labor.

(4) Any sum remaining in the *Special* [Subsequent Claim] Fund to the credit of the Workmen's Compensation Board at the end of any fiscal year shall be set up by the Department of Finance to the credit of the board in such fund for the next ensuing fiscal year.

(5) If the amount to the credit of the *Special* [Subsequent Claim] Fund as of June 30 of any year exceeds $200,000, the tax of three-fourths of one per cent upon insurance premiums provided for under subsection (2) of this section and the three-fourths of one per cent assessment upon employers carrying their own risk provided for under subsection (2) of this section shall not be assessed or collected during the ensuing year.

(6) If the Commissioner of Labor finds that the *Special* [Subsequent Claim] Fund tax levied pursuant to this section is insufficient to pay such claims awarded under the *Special* [Subsequent Claim] Fund provisions, then he may levy [an] additional *assessments* [assessment] against all insurance companies writing Workmen's Compensation insurance in Kentucky, including every employer carrying his own risk, for an amount not to exceed $100,000. The amount of each insurance company's assessment shall be in the proportion that each company's annual Workmen's Compensation premium writings in Kentucky bears to the total of all annual Workmen's Compensation premiums written in Kentucky. Such assessment will be based upon information contained in the insurance company's last filed annual statement with the Department of Insurance. Such assessments against every employer carrying his own risk will be based upon that proportion which the "adjusted cost" of such own risk carrier bears to the total "adjusted cost" of all such own risk carriers. "Adjusted cost" reports filed with the board in accordance with KRS 342.475 will be the basis of such determination. Such additional assessment against insurance companies and employers carrying their own risk shall be apportioned between the two classes as the total of premiums and the total of "adjusted cost" each bears to the combined total.

(7) The fund heretofore designated as the Subsequent *Claim* [Injury] Fund is abolished and there is substituted therefor the *Special* [Subsequent Claim] Fund as herein set out and all monies and properties owned by the Subsequent *Claim* [Injury] Fund are transferred to the *Special* [Subsequent Claim] Fund.

Section 14. Section 342.140 of the Kentucky Revised Statutes is amended to read:

(1) Except as otherwise provided in this act, the average weekly wage of the injured employe at the time of the injury or last injurious exposure shall be taken as the basis upon which to compute compensation and shall be determined according to this section.

(a) If at the time of the injury which resulted in death or disability or the last date of injurious exposure preceding death or disabilty from an occupational disease:

1. The wages were fixed by the week, the amount so fixed shall be the average weekly wage;

2. The wages were fixed by the month, the average weekly wage shall be the monthly wage so fixed multiplied by twelve and divided by fifty-two;

3. The wages were fixed by the year, the average weekly wage shall be the yearly wage so fixed divided by fifty-two;

4. The wages were fixed by the day, hour, or by the output of the employe, the average weekly wage shall be the wage most favorable to the employe computed by dividing by thirteen the wages (not including overtime or premium pay) of said employe earned in the employ of the employer in the first, second, third, or fourth period of thirteen consecutive calendar weeks in the fifty-two weeks immediately preceding the injury.

5. The employe had been in the employ of the employer less than thirteen calendar weeks immediately preceding the injury, his average weekly wage shall be computed under paragraph (4), taking the wages (not including overtime or premium pay) for such purpose to be the amount he would have earned had he been so employed by the employer the full thirteen calendar weeks immediately preceding the injury and had worked, when work was available to other employes in a similar occupation.

6. The hourly wage has not been fixed or can not be ascertained, the wage for the purpose of calculating compensation shall be taken to be the usual wage for similar services where such services are rendered by paid employes.

(b) In occupations which are exclusively seasonal and therefore cannot be carried on throughout the year, the average weekly wage

shall be taken to be one-fiftieth of the total wages which the employe has earned from all occupations during the twelve calendar months immediately preceding the injury.

(c) In the case of volunteer firemen, police, and civil defense members or trainees, the income benefits shall be based on the average weekly wage in their regular employment.

(d) If the employe was a minor, apprentice or trainee when injured, and it is established that under normal conditions his wages should be expected to increase during the period of disability, that fact may be considered in computing his average weekly wage.

(e) When the employe is working under concurrent contracts with two or more employers and the defendant employer has knowledge of such employment prior to the injury, his wages from all such employers shall be considered as if earned from the employer liable for compensation.

(f) The term "wages" as used in this section means, in addition to money payments for services rendered, the reasonable value of board, rent, housing, lodging, and fuel or similar advantage received from the employer, and gratuities received in the course of employment from others than the employer to the extent such gratuities are reported for income tax purposes.

(g) The board shall, from time to time, based upon the best available information, determine by regulation industries which ordinarily do not have a full working day for five days in every week. In such industries compensation shall be computed at the average weekly wage earned by the employe at the time of injury reckoning wages as earned while working full time. "At full time" as used herein means a full working day for five working days in every week regardless of whether the injured employe actually worked all or part of the time.

[Compensation shall be computed at the average weekly wage earned by the employe at the time of injury reckoning wages as earned while working at full time. "All full time" as used herein means a full working day for five days in every week of the year regardless of whether the injured employe actually worked all or part of the time. If the employe shall not have been employed a sufficient length of time to establish an average weekly wage, then compensation shall be based upon the average weekly wage as herein defined of those employes of the same employer in the same or most similar type of employment.]

(2) For the purposes of this act the average weekly wage of the state shall be determined by the Director as follows: On or before September 1 of each year, the total wages reported by subject employers under the Kentucky Unemploymnt Insurance law for the preceding calendar year shall be divided by the average monthly number of insured workers (determined by dividing the total number of in-

sured workers reported for the preceding year by twelve.) The average annual wage thus obtained shall be divided by fifty-two and the average weekly wage thus determined rounded to the nearest cent. Such average weekly wage shall be certified to the Director by the Department of Economic Security in a manner prescribed by the Workmen's Compensation Board by regulation. The average weekly wage as so determined shall be applicable for the full period during which income or death benefits are payable, when the date of occurrence of injury or of disablement in the case of disease, or of death, falls within the calendar year commencing January 1 following the September 1 determination. Whenever a change in the average weekly wage of the state is of such amount that the minimum weekly income benefits for total disability or for death are increased or decreased by one dollar or more, or the maximum weekly income benefits for total disability or for death are increased or decreased by two dollars or more, computed in each case and rounded to the nearest dollar, an adjustment in those minimums or maximums which are affected in the requisite amount by the change in the average weekly wage of the state shall be made which will reflect this increase or decrease, but no change in such limitations shall otherwise be made.

[If the employe, at the time of the injury, is regularly employed in a higher grade of work or occupation than formerly during the year, and with larger regular wages, only such higher grade of work or occupation, if it is not seasonal, shall be taken into consideration in computing his average weekly wages.]

Section 15. Section 342.215 of the Kentucky Revised Statutes is amended to read as follows:

[(1)] The Workmen's Compensation Board shall consist of five members appointed by the Governor and shall be *attached to* [a part of] the Department of Labor *for administrative services.*

[(2)] *(1)* Each member of the board shall hold office for four years and until his successor is appointed and qualified. Upon the expiration of the term of any member, his successor shall be appointed for a full term of four years. Vacancies shall be filled by appointment for the unexpired term. [(3)] *The members of the board shall have the qualifications required of circuit judges.* The Governor shall designate a member of the board to serve as chairman for a term of four years. Any vacancy in the chairmanship shall be filled by the Governor.

Section 16. Section 342.230 of the Kentucky Revised Statutes is amended to read as follows:

(1) Upon the recommendation of *the director,* the board, [and] within the limits of appropriations therefor, [the Commissioner of Labor] shall establish and fill any positions, including medical services and advice, necessary to carry on the board's work.

(2) The *Governor* [Commissioner of Labor] shall [also] appoint a *director* [an executive secretary] of the board who shall have immediate supervision of the employes of the board and perform such duties as are assigned him. The *director* [executive secretary] shall be an attorney who has been admitted to practice law in Kentucky and shall have practiced law for at least three years. He shall keep and be the custodian of the records of the board, *shall annually report the activities of the board to the Governor,* and shall devote his full time to the duties of his office. He shall receive a salary to be fixed by the Governor.

(3) The Governor shall appoint not more than fifteen hearing officers each of whom shall be an attorney admitted to practice law in Kentucky and shall have practiced law for at least three years. These officers, upon the direction of the Director or the board, shall conduct hearings, and otherwise supervise the presentation of evidence and perform any other duties assigned to them by the director or the board except that such hearing officers shall not render final decisions, orders, or awards. However such hearing officers may, in receiving evidence on behalf of the board, make such rulings affecting the competency, relevancy, and materiality of the evidence about to be presented and upon motions presented during the taking of evidence as will expedite the preparation of the case.

[(3)] *(4)* The board may at any time recommend the removal of *the director or any hearing officer* [any appointee] upon filing with the *Governor* [Commissioner of Labor] a full written statement of its reasons for such removal.

Section 17. Section 342.245 of the Kentucky Revised Statutes is amended to read as follows:

The board shall fix and adopt, *in regulations published by the board,* at least one day of the week on which regular meetings shall be held *weekly* [bi-weekly] for the transaction of all business. A quorum of the board shall be present at its main office [not later than 11 a.m.] and remaining at the office, or available thereto, *during regular working hours on the days designated* [, until 5 p.m. of that day]. When necessary the chairman shall call the board together at any time during business hours on any other day to consider and transact any business before it. All proceedings of the board shall be recorded in a book kept for that purpose by the *Director* [secretary], which shall constitute a public record and shall contain an entry of each case, claim or proceeding considered, heard or passed upon by the board or a member thereof, with the award, finding or decisions made thereon.

Section 18. Section 342.255 of the Kentucky Revised Statutes is amended to read as follows:

(1) A majority of the board shall constitute a quorum for the

transaction of business, and, so long as a majority remains, vacancies shall not impair the right of the remaining members to exercise all the powers of the full board nor relieve them from discharging the duties of the board.

(2) Any investigation, inquiry or hearing which the board is authorized to hold or undertake may be held or undertaken by or before any one member of the board, *the director* or a *hearing officer* [referee] acting [for him,] under authorization of the board. Any investigation, inquiry, hearing or decision of the board and any order made by a member thereof, when approved by a majority of the members and so shown on a record of its proceedings, shall be considered an order of the board.

Section 19. Section 342.270 of the Kentucky Revised Statutes is amended to read as follows:

(1) If the parties fail to reach an agreement in regard to compensation under this chapter, [or if they have previously filed such an agreement with the board and compensation has been paid or is due in accordance therewith and the parties thereafter disagree,] either party may make written application to the board for a hearing in regard to the matter at issue and for a ruling thereon. Such application must be filed within one year after the accident, or, in case of death, within one year after such death, or within one year after the cessation of voluntary payments, if any have been made.

(2) As soon as possible after the application has been received the board shall set the date for a hearing, to be held as soon as is practicable in view of the matter involved, and shall notify the parties at issue of the time and place of such hearing.

(3) Unless otherwise agreed to by the parties and authorized by the board, the hearing shall be held at or convenient to the place where the injury was sustained or the ground for disagreement occurred. Before directing a hearing, the board, [or] a member thereof [or] *the Director or a hearing officer* [referee] authorized by the board, may confer informally with the parties at issue in an attempt to assist in adjusting their differences, but may not delay the granting of a hearing, over the objection of either party, for such purpose.

(4) *If the parties have previously filed an agreement which has been approved by the board and compensation has been paid or is due in accordance therewith and the parties thereafter disagree either party may invoke the provisions of KRS 342.125 which remedy shall be exclusive.*

(5) *An application for adjustment of claim shall be held in abeyance by the board during any period voluntary payments of compensation are being made under any benefit sections of this Act to the*

maximum which the employe's wages shall entitle him, unless it shall be shown that the prosecution of the employe's claim would be prejudiced by delay.

Section 20. Section 342.275 of the Kentucky Revised Statutes is amended to read as follows:

The board, or any of its members, *the director or any hearing officer directed by the board* shall hear the parties at issue and their representatives and witnesses and the *full board* shall determine the dispute in a summary manner. The award, *order, or decision* shall be made within thirty days after final submission, except in cases involving large or complicated records or unusual questions of law, and shall be made within *sixty* [ninety] days after final submission in any event. *However, if the award, order, or decision is not rendered within thirty days the board shall notify the parties in dispute setting out the reasons for such delay.* The award, *order or decision,* together with a statement of the findings of fact, rulings of law and any other matters pertinent to the question at issue shall be filed with the record of proceedings, and a copy of the award, *order or decision* shall immediately be sent to the parties in dispute.

Section 21. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) Within fourteen days from the date of the award, order or decision any party may file a petition for reconsideration of the award, order, or decision of the full board. The petition for reconsideration shall clearly set out the errors relied upon with the reasons and argument for reconsideration of the pending award, order, or decision. All other parties shall have ten days thereafter to file a response to the petition. The board shall be limited in such review to the correction of errors patently appearing upon the face of the award, order, or decision and shall overrule the petition for reconsideration or make such correction within ten days after submission.

Section 22. Section 342.285 of the Kentucky Revised Statutes is amended to read as follows:

(1) An award or order of the board as provided in KRS 342.275, *if petititon for reconsideration is not filed as provided for in Section 21* [if application for review is not filed as provided for in KRS 342.280], shall be conclusive and binding as to all questions of fact, but either party may within twenty days after the rendition of such final award or order of the board, by petition appeal to the circuit court that would have jurisdiction to try an action for damages for the injuries if this chapter did not exist, for the review of such order or award, the board and the adverse party being made respondents. The board shall be named respondent as the Workmen's Compensation Board, and service shall be had on the *Director* [executive secretary].

(2) The petition shall state fully the grounds upon which a review is sought, and assign all errors relied on. Summons shall issue upon the petition directing the adverse party to file answer within fifteen days after service thereof and directing the board to send its entire original record, properly bound, to the clerk of the circuit court, after certifying that such record is its entire original record, which shall be filed by the clerk of the circuit court and such record shall then become and be considered by the circuit court on the review.

(3) No new or additional evidence may be introduced in the circuit court except as to the fraud or misconduct of some person engaged in the administration of this chapter and affecting the order, ruling or award, but the court shall otherwise hear the cause upon the record as certified by the board and shall dispose of the cause in summary manner. [,] *The court shall not substitute its judgment for that of the Board as to the weight of evidence on questions of fact,* its review being limited to determining whether or not:

(a) The board acted without or in excess of its powers;

(b) The order, decision, or award was procured by fraud;

(c) The order, decision, or award is not in conformity to the provisions of this chapter; [and]

(d) The order, decision, or award is clearly erroneous on the basis of the reliable, probative, and material evidence contained in the whole record; or [if findings of fact are in issue, whether such findings of fact support the order, decision or award.]

(e) The order, decision, or award is arbitrary or capricious or characterized by abuse of discretion or clearly unwarranted exercise of discretion.

(4) The board and each party may appear in such review proceedings; the court shall enter judgment affirming, modifying or setting aside the order, decision or award, or in its discretion remanding the cause to the board for further proceedings in conformity with the direction of the court. The court may, before judgment and upon a sufficient showing of fact, remand the cause to the board.

Section 23. Section 342.290 of the Kentucky Revised Statutes is amended to read as follows:

(1) Where an amount sufficient under KRS 21.060 to authorize an appeal to the Court of Appeals is involved, the judgment of the circuit court shall be subject to appeal to the Court of Appeals. The scope of review by the Court of Appeals shall include all matters subject to review by the circuit court and also errors of law arising in the circuit court and upon appeal made reviewable by the *Rules of Civil Procedure* [Civil Code of procedure] where not in conflict with this chapter.

(2) The procedure as to appeal to the Court of Appeals shall be the same as in civil actions, so far as it is applicable to and not in conflict with this chapter, except as follows:

(a) The appellant shall file with the clerk of the circuit court, together with proof or acknowledgement of service, a schedule which indicates the portions of the record to be incorporated into the transcript of the record to be used on appeal to the Court of Appeals. Should the appellee or his counsel desire additional portions of the record incorporated into the record to be filed in the Court of Appeals, he may file with the clerk of the circuit court his schedule also within ten days thereafter (unless the time is extended by order of the circuit court or the Court of Appeals), indicating the additional portions of the record desired by him. Provided, however, that if the original record of the Workmen's Compensation Board is desired by either party on appeal to the Court of Appeals, it shall not be necessary for the clerk of the circuit court to copy said original record into the transcript, but the same shall be and become a part of the transcript and shall be forwarded to the Clerk of the Court of Appeals as a part of the record upon appeal to said court. The clerk shall not be entitled to any transcript fee for such original record.

(3) The clerk of the circuit court will transmit to the Court of Appeals as the transcript of the record only those portions of the record of the lower court as are designated by the parties as above.

(4) The appeal shall be advanced on the Court of Appeals docket without motion or notice.

Section 24. Section 342.316 of the Kentucky Revised Statutes is amended to read as follows:

(1) "Occupational disease" as used in this chapter means a disease arising out of and in the course of the employment. Ordinary diseases of life to which the general public is equally exposed outside of the employment shall not be compensable, except where such diseases follow as an incident of an occupational disease as defined in this section.

(a) A disease shall be deemed to arise out of the employment only if there is apparent to the rational mind, upon consideration of all the circumstances, a direct causal connection between the conditions under which the work is performed and the occupational disease, and which can be seen to have followed as a natural incident to the work as a result of the exposure occasioned by the nature of the employment and which can be fairly traced to the employment as the proximate cause, and which does not come from a hazard to which workmen would have been equally exposed outside of the employment. The disease shall be incidental to the character of the business and not independent of the relationship of employer and employe. The disease need not have been foreseen or expected but, after its contraction, it must appear to have had its origin in a risk connected with the employment and to have flowed from that source as a rational consequence.

(b) "Injurious exposure" as used in this section shall mean that exposure to occupational hazard which would, independently of any other cause whatsoever, produce or cause the disease for which claim is made.

(2) The procedure with respect to the giving of notice and as to the filing of claims and determination thereof in occupational disease cases and the compensation and medical benefits payable for disability or death due to such disease shall be the same as in cases of accidental injury or death under the general provisions of this chapter except that notice of claim shall be given to the employer as soon as practicable after the employe first experiences a distinct manifestation of an occupational disease in the form of symptoms reasonably sufficient to apprise him that he has contracted such disease, or a diagnosis of such disease is first communicated to him, whichever shall first occur.

(3) The right to compensation under this chapter for disability resulting from an occupational disease shall be forever barred unless a claim is filed with the Workmen's Compensation Board within one year after the last injurious exposure to the occupational hazard or after the employe first experiences a distinct manifestation of an occupational disease in the form of symptoms reasonably sufficient to apprise him that he has contracted the disease, whichever shall last occur; and if death results from the occupational disease within said period, unless a claim therefor be filed with the Workmen's Compensation Board within one year after such death; provided, however, that notice of such claim shall be deemed waived in case of disability or death where the employer, or his insurance carrier, voluntarily makes payment therefor, or, if the incurrence of the disease or the death of the employe, and its cause was known to the employer. Provided, however, that the right to compensation for any occupational disease shall be forever barred unless a claim is filed with the Workmen's Compensation Board within five years from the last injurious exposure to the occupational hazard, [.] *except that, in cases of radiation disease, a claim must be filed within ten years from the last injurious exposure to the occupational hazard.*

(4) In claims for compensation due to the occupational disease of silicosis or any other compensable pneumoconiosis it must be shown that the employe was exposed to the hazards of the disease in his employment within this state for at least two years immediately next before his disability or death.

(5) The amount of compensation payable for disability due to

occupational disease or for death from such disease, and the time and manner of its payment, shall be the same as provided for accidental injury or death under the general provisions of the Workmen's Compensation Act, but in no event to exceed such amounts as were in effect at the time of the last injurious exposure, and provided further, that the time of the beginning of compensation payments shall be the date of the employe's last injurious exposure to the cause of the disease, or the date of actual disability, whichever is later, and provided further, that in case of death where the employe has been awarded compensation or made timely claim within the period provided for in this section, an employe has suffered continuous disability to the date of his death occurring at any time within ten years from the date of disability, his dependents, if any, shall be awarded compensation for his death as provided for under the general provisions of the Workmen's Compensation Act and in this section.

(6) In case of disability or death from silicosis, or any other compensable pneumoconiosis, complicated with tuberculosis of the lungs, compensation shall be payable as for the uncomplicated disease, provided, however, that the disease was an essential factor in causing such disability or death.

(7) If an autopsy has been performed, no testimony relative thereto shall be competent unless the employer or his representative and a representative of the deceased employe shall have participated therein or been given reasonable opportunity to do so.

(8) No compensation shall be payable for occupational disease if the employe at the time of entering the employment of the employer by whom compensation would otherwise be payable, falsely represented himself, in writing, as not having been previously disabled, laid off, or compensated in damages or otherwise, because of such disease, or failed or omitted truthfully to state to the best of his knowledge, in answer to written inquiry made by the employer, the place, duration and nature of previous employment, or, to the best of his knowledge, the previous state of his health.

(9) Where an occupational disease is aggravated by other disease or infirmity not itself compensable, or where disability or death from any other cause not itself compensable, is aggravated, prolonged, accelerated or in anywise contributed to by occupational disease the compensation payable shall be reduced and limited to such proportion only of the compensation that would be payable if occupational disease were the sole cause of the disability or death as such occupational disease, as a causative factor, bears to all causes of such disability or death, such reduction in compensation to be affected by reducing the number of weekly or monthly payments or the amount of such payments as under the circumstances of the particular case may be for the best interests of the claimant or claimants.

(10) No compensation for death from occupational disease shall be payable to any person whose relationship to the deceased, which, under the provisions of this chapter would give right to compensation, arose, subsequent to the beginning of the first compensable disability, save only to after-born children of a marriage existing at the beginning of such disability.

(11) Whenever any claimant misconceives his remedy and files an application for adjustment of claim under the general provisions of this chapter and it is subsequently discovered, at any time before the final disposition of such cause, that the claim for injury, disability or death which was the basis for such application should properly have been made under the provisions of this section, then the application so filed may be amended in form or substance, or both, to assert a claim for such injury, disability or death under the provisions of this section, and it shall be deemed to have been so filed as amended on the date of the original filing thereof, and such compensation may be awarded as is warranted by the whole evidence pursuant to the provisions of this chapter. When such amendment is submitted, further or additional evidence may be heard by the board when deemed necessary. Nothing this section contains shall be construed to be or permit a waiver of any of the provisions of this chapter with reference to notice of time for filing of a claim, but notice of filing a claim, if given or done, shall be deemed to be a notice of filing of a claim under provisions of this chapter, if given or done within the time required herein.

(12) When an employe has an occupational disease that is covered by this chapter, the employer in whose employment he was last injuriously exposed to the hazard of the disease, and the employer's insurance carrier, if any, at the time of the exposure, shall alone be liable therefor, without right to contribution from any prior employer or insurance carrier; except as otherwise provided herein.

(13) (a) The employer liable for compensation for occupational diseases, other than silicosis or any other compensable pneumoconiosis, which developed to the point of disablement only after an exposure of five or more years, or for silicosis and any other compensable pneumoconiosis, shall be the employer in whose employment the employe was last exposed to the hazard of such occupational disease during a period of six months or more. In those cases where disability or death are not conclusively proven to be the result of such last exposure all compensation shall be paid out of the *Special* [Subsequent Claim] Fund. In all other cases of occupational diseases, other than silicosis or any other compensable pneumoconiosis, which developed to the point of disablement only after an exposure of five or more years, or for silicosis and any other compensable pneumoconiosis, the compensation for disability or death due to such diseases shall be paid jointly by the employer and the *Special* [Subsequent Claim] Fund,

and the employer shall be liable for sixty percent of the compensation due and the *Special* [Subsequent Claim] Fund shall be liable for forty percent of the compensation due. *Provided, however, that when there is a joint award against the carrier or self-insured employer and the Special Fund under this section, all of the compensation awarded shall be paid by the carrier or self-insured employer, and the carrier or self-insured employer shall be reimbursed for such payments from the Special Fund on a quarterly basis and under such regulations as the board may provide for such purpose.*

(b) In all claims for compensation partially payable by the *Special* [Subsequent Claim] Fund the Commissioner of Labor, as custodian of said fund, shall be designated as codefendant.

(c) In all agreements for the payment of compensation and awards the amount payable by the employer and the amount payable out of the *Special* [Subsequent Claim] Fund shall be separately stated. An award against the employer shall be for only the percentage of the total compensation which the employer is obligated to pay. A separate award shall be made against the *Special* [Subsequent Claim] Fund for the balance of the compensation payable. Nothing in this section shall prohibit the Commissioner of Labor, as custodian of the *Special* [Subsequent Claim] Fund, from entering into agreements to pay the compensation for which it is liable; provided, however, that where compensation is payable by both the employer and the *Special* [Subsequent Claim] Fund, the commissioner shall not enter into an agreement unless the employer is a party to the agreement.

Section 25. Section 342.320 of the Kentucky Revised Statutes is amended to read as follows:

(1) All fees of attorneys and physicians, and all charges of hospitals under this chapter, shall be subject to the approval of the board. No attorney fees shall be allowed or approved against any party not represented by said attorney, nor shall any attorney fee be allowed or approved exceeding an amount equal to twenty percent of the amount recovered. The board may reduce the attorney's fee to an amount commensurate with the services performed, or may deny or reduce an attorney's fee upon proof of solicitation of employment.

(2) No attorney's fee in any case involving benefits under this Act shall be paid until the fee is approved by the Board, and any contract for the payment of attorney's fees otherwise than as provided in this section shall be void. The entire attorney's fee in a lump sum shall be paid directly to the attorney of record, and the board in allowing or approving an attorney's fee, as provided in this section, shall order the payment of same directly to the attorney, commuting sufficient of the final payments of compensation payable under the award to a lump sum for that purpose.

Section 26. Section 342.480 of the Kentucky Revised Statutes is amended to read as follows:

(1) All taxes and assessments imposed by KRS 342.450 and 342.475 shall be paid into the State Treasury and shall be credited to a maintenance fund for the board. The maintenance fund shall be used for ordinary recurring expenses of operation and *for no other purpose and* shall be expended in each year by the board under the supervision of the Commissioner of Labor and by allotments made by the budgetary officer of the Department of Finance.

(2) At such intervals as may be determined by the *board* [Commissioner of Labor] the *Director* [board] may compile and publish for distribution all or any part of its official proceedings, and may charge a subscription fee sufficient to defray the expenses of such operation.

(3) Any sum remaining in the maintenance fund to the credit of the Workmen's Compensation Board at the end of any fiscal year shall be *transferred* [set up] by the Department of Finance to the credit of the *Special Fund established by KRS 342.122* [Workmen's Compensation Board] for the next ensuing fiscal year.

Section 27. Sections 342.225, 342.280 and 351.240 of the Kentucky Revised Statutes are repealed.

Section 28. This Act shall become effective August 1, 1964.

Said Committee Amendment to **HB 483** is as follows:
Amend printed copy of House Bill 483 on page 1, line 6, after and before line 7, by: inserting the following:
"(3) "Total disability" means the inability to engage in any substantial, gainful employment."

HB 85, AN ACT relating to special judges.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

KRS 23.230 is amended to read:

(1) When, from any cause, a judge of any circuit court, whether of continuous session or terms, fails to attend, or being in attendance cannot properly preside in an action pending in the court, or if a vacancy occurs or exists in the office of circuit judge, or if either party files with the clerk of the court his affidavit that the judge will not afford him a fair and impartial trial, or will not impartially decide an application for a change of venue, and the circuit judge has ruled that the affidavit of disqualification is legally sufficient, [the parties, by agreement, may elect one of the attorneys of the court to preside on the trial or hear the application, or hold the court for the occasion,

If any party to the action is a non-resident defendant, who has not entered his appearance nor been summoned, or is an infant, defendant, the attorney appointed to defend for such nonresident or the guardian ad litem for such infant may agree with the other parties to the action upon an attorney having all the qualifications of a circuit judge to try the action. Any special judge so selected shall have all the powers and be subject to all the responsibilities of the regular judge of the court.

(2) If the parties cannot agree upon an attorney as provided in subsection (1) of this section or if the regular judge determines that sufficient time is not available in which to ascertain if the parties can agree upon a member of the bar to act as judge, as provided in subsection (1) of this section, or if he determines that it is impracticable to attempt to obtain agreement because of the large number of parties to the action to be tried, or for any reason,] the clerk shall at once certify the facts to the Chief Justice of the Court of Appeals, who shall immediately designate a regular circuit judge, if one be available, and, if not, an attorney having the qualifications of a judge, to hold the court or try the action.

(2) *Any special judge so selected has all the powers and is subject to all the responsibilities of the regular judge of the court.*

(3) Nothing in this Act shall be construed to deprive the circuit judge against whom an affidavit of disqualification has been filed of the power to examine such affidavit and pass upon the legal sufficiency of the statements contained therein.

HB 283, AN ACT relating to prisoners.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 26.480 is amended to read:

Upon any judgments of the police court in a city of the fourth class imposing a fine in favor of the state or the city, the city attorney may cause an execution to be issued and levied on the estate of the defendant, or may cause the defendant to be imprisoned in the city workhouse, if there is one, or the county jail, or compelled to labor at work not detrimental to health upon the streets or other public property of the city or in the workhouse or jail at the rate of *three dollars* [one dollar] per day until the fine and costs are paid, unless the rate of wages is changed by the city legislative body. The city council may by ordinance regulate such labor. When any fine or costs is paid by labor, the city shall not be liable to any officer for any part of the fine or costs. The defendant may at any time replevy the fine for three months by executing a bond, with good surety, for the amount of the fine and costs and six percent interest.

Section 2. KRS 431.140 is amended to read:

When the punishment for a crime is a fine or imprisonment in the county jail, or both, and the defendant is a male, the jury may, in its discretion, in those cases in which it is authorized to fix the punishment, provide in its verdict that the defendant shall work at hard labor until the fine and costs are satisfied, or during the time of his sentence of imprisonment, or both, and the presiding judge at such a trial shall inform the jury by an instruction that it may so provide in its verdict. When such a verdict is returned, or when the case is tried by the court or the punishment is authorized to be fixed by the court, a judgment shall be rendered directing that the defendant shall work at hard labor until the fine and costs are satisfied, at the rate of *three* [two] dollars per day, or during the time of his sentence of imprisonment, or both, as the verdict provides.

Section 3. KRS 441.180 is amended to read:

[Except as provided in KRS 150.990,] *P*risoners placed at hard labor shall be permitted to satisfy their fines and costs at the rate of *three* [two] dollars per day; they shall not be required to labor more than eight hours a day, and may at any time pay or replevy the fine and costs, or whatever part thereof remains unpaid after receiving credit of *three* [two] dollars for each day worked in payment thereof. Managers shall keep the time of prisoners and release them when their time expires, except that any prisoner who pays the fine and cost not worked out shall be released from custody upon order of the court that committed him.

HB 282, AN ACT to amend KRS 438.110 relating to fireworks.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 438.110 is amended to read:

(1) Except as provided in subsection (2) and (3), no person shall sell at retail, or offer, *store,* advertise or expose for sale at retail, *have in his possession,* or use or explode, any fireworks within this state [; Provided, however, that].

(2) Jobbers, wholesalers or manufacturers may store, ship or otherwise transport fireworks to dealers outside the state of Kentucky but it is unlawful for any jobber, wholesaler, manufacturer or any other person to sell fireworks to a retail dealer or any other person in this state for the purpose of resale.

(3) In cities the chief of the fire department, or mayor or similar official where there is no fire department, and in counties outside of cities the county judge, shall have power to grant permits for supervised public displays of fireworks by municipalities, fair associations,

amusement parks, and other organizations or groups of individuals. Every such display shall be handled by a competent operator to be approved by the public official by whom the permit is granted, and shall be of such character, and so located, discharged or fired as in the opinion of such official, after proper inspection, shall not be hazardous to property or endanger any person. Applications for permits shall be made in writing at least fifteen days in advance of the date of the display. After such privilege shall have been granted, sales, possession, use and distribution of fireworks for such display shall be lawful for that purpose only. No permit granted hereunder shall be transferable.

HB 461, AN ACT pertaining to zoning and planning in cities of the First Class and counties containing such cities.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 100.059 is amended to read as follows:

(1) Upon KRS 100.031 to 100.097 becoming effective, as provided in KRS 100.031 and 100.078, no public street, public roadway, public parkway, public ground, public place public building or public structure, or public utility, publicly or privately owned, shall be constructed or authorized within the incorporated boundaries of such city or in the unincorporated territory of such county, until and unless the proposed location and extent of such public construction or authorization shall have been approved and authorized *either* by*(a)* appropriate ordinances, resolutions or orders passed by the legislative body of such city or the fiscal court of such county, as the case may be, (or by order of the commission if and when said legislative body and said fiscal court, by appropriate ordinances, resolutions or orders, authorize said commission to so act. *); or (b) franchise or statute as to companies and persons subject to the jurisdiction of the Public Service Commission.*

(2) [Before any proposed construction or authorization is approved or disapproved such proposal shall be submitted to and] *The legislative body of such city or the fiscal court of such county, as the case may be, may by appropriate ordinances, resolutions or orders provide that any proposed construction or authorization for a new public street, public roadway, public parkway, public ground, public place, public building or public structure,* be the subject of a public hearing before the commission for its recommendation. The commission shall hold at least one public hearing on any such proposal, notice of which shall be given by the commission in such manner as will be adequate to inform all parties interested and affected thereby and not lass than one week prior to such hearing. Any and all parties interested and affected may enter their appearance before the commission at or before such hearing, and shall be heard.

HB 215, AN ACT relating to re-employment of public employees performing Military Duty and repealing Section 61.370 of the Kentucky Revised Statutes.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. As used in this Act, unless the context otherwise requires:

(1) "Public employee" means a person appointed to a position in public service for which he is compensated on a full time basis, excluding elected officers;

(2) "Public service" means employment by the Commonwealth of Kentucky, or by any county, city, or political subdivision or by any department, board, agency, or commission thereof;

(3) "Employer" means the officer, employee, board, commission or agency authorized by law to make appointments to a position in public service;

(4) "Position" means an office or employment in the public service, excluding an office filled by popular election;

(5) "Military duty" means training and service performed by an inductee, enlistee, or reservist or any entrant into a temporary component of the armed forces of the United States, and time spent in reporting for and returning from such training and service, or if a rejection occurs, from the place of reporting therefor. "Military duty" shall not include voluntary active duty for training of an individual as a reservist in the armed forces of the United States;

(6) "Board" means the Personnel Board established by Chapter 18 of the Kentucky Revised Statutes;

(7) "Seniority" means the increase in compensation, status, and responsibility resulting from promotion or step progression within a class of a classified service or promotion or increase in compensation, status, and responsibility in the unclassified service.

Section 2. (1) Any public employee who leaves a position after the effective date of this Act, or who left such position prior to such effective date but not earlier than July 25, 1953, whether voluntarily or involuntarily, in order to perform military duty, or who was performing military duty on July 25, 1953, and who is relieved or discharged from such duty under conditions other than dishonorable, and who has not been absent from public employment due to military duty in time of war or national or state emergency for a period of time longer than than the duration of the war or national or state emergency plus six months or in time of peace for a period of time not longer than four years, and makes application for reemployment within 90 days after he is relieved from military duty or from hospitalization or treatment continuing after discharge for a period of not more than one year shall:

(a) if still physically qualified to perform the duties of such position, be restored to such position if it exists and is not held by a person with greater seniority, otherwise to a position of like seniority, status and pay;

(b) if not qualified to perform the duties of such position by reason of disability sustained during such service, such public employee shall be placed in such other position the duties of which he is qualified to perform as will provide him like seniority, status and pay, or the nearest approximation thereof consistent with the circumstances of his case.

(2) In the case of any person who is entitled to be restored to a position in accordance with the provisions of this Act, if the Personnel Board finds that the department or agency with which such person was employed immediately prior to his military duty:

(a) is no longer in existence and its functions have not been transferred to any other agency; or

(b) for any reason it is not feasible for such person to be restored to such department or agency,

the board shall determine whether or not there is a position in any other department or agency of the same public employer for which such person is qualified and which is either vacant or held by a person having a temporary appointment thereto. In any case in which the board determines that there is such a position, such person shall be restored to such position by the department or agency in which such position exists.

Section 3. Any person who is restored to a position in accordance with the provisions of this Act shall not be discharged from such position without cause within one year after such restoration, and shall, without limiting other rights conferred by this or other sections, be considered as having been on furlough or leave of absence during his period of military duty. He shall be restored without loss of seniority, including, upon promotion or other advancement following completion of any period of employment required therefor, a seniority date in the advanced position which will place him ahead of all persons previously junior to him who advanced to the position during his absence in the armed forces.

Section 4. Any public employee at the time of entering military duty, and eligible for the benefits of the Kentucky Employee Retirement System, and not withdrawing his accumulated contributions, shall be entitled to have credited as service his period of military service, not to exceed six years, provided his separation from the military service is honorable and he is reinstated as a public employee within a period of one year from the date of separation from military duty or upon the subsequent termination of any service-connected disability which exists at the expiration of one year after separation from military duty.

Section 5. Any employee who holds a position in the public service shall be granted a leave of absence for the purpose of being inducted or otherwise entering military duty. If not accepted for such duty, the employee shall be reinstated in his position without loss of seniority or status, or reduction in his rate of pay. During such period the employee shall for all purposes be considered to have rendered service and to have been compensated therefor at his regular rate of pay.

Section 6. The Personnel Board shall adopt regulations to carry out the provisions of this Act in accordance with KRS Chapter 13. Any public employee who is not restored to a position, or who is discharged without cause within one year after restoration, may appeal to the board for review. Upon such review, both the employee and the employer shall have the right to be represented by counsel. Technical rules of evidence shall not apply. If the board finds that the employer has violated the provisions of this Act or regulations promulgated thereunder, it shall direct the employer to comply with such provisions and to compensate the employee for loss of pay suffered by reason of such violation; provided, however, that any amount received by the employee during the period from his discharge to reinstatement from other public employment, unemployment, compensation, or readjustment allowances from a public agency shall be deducted from such compensation.

Section 7. Section 61.370 of the Kentucky Revised Statutes is repealed.

HB 236, AN ACT relating to employes pension funds in cities of the second class.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. As used herein unless the context otherwise requires:

(1) "Fund" means the "Employes' Retirement Fund of the City of _______________, Kentucky."

(2) "City" means the City of _______________, Kentucky.

(3) "Board" means the Board of Trustees provided herein as the

agency responsible for the direction and operation of the affairs and business of the fund.

(4) "Employe" means any person employed in the conduct of municipal affairs who is in the classified service of the city exclusive of policemen and firemen.

(5) "Member" means any employe of the city who is included in the membership of the fund.

(6) "Service" means actual employment by the city for salary or compensation, or service otherwise creditable as herein provided.

(7) "Prior service" means service rendered prior to the date of establishment.

(8) "Membership service" means service rendered on or after the date of establishment.

(9) "Total service" means prior service, membership service and military service.

(10) "Occupational death" means death due to occupational causes including but not limited to injury or disease.

(11) "Total disability" means a disability which substantially precludes a person from performing with reasonable regularity the substantial and material parts of any gainful work or occupation in the service of the department that he would be competent to perform were it not for the fact that the impairment is founded upon conditions which render it reasonably certain that it will continue indefinitely.

(12) "Average salary" means the highest average annual salary of the member for the three consecutive years of service wherein the member drew his highest annual salary.

(13) The term "widow" includes widower.

(14) The fiscal year of the fund coincides with that of the city.

Section 2. (1) All city employes, pension and retirement funds presently existing and in operation in cities of the second class in Kentucky, pursuant to statutory law and ordinances, shall be operated under the provisions hereof beginning with the first of the next calendar year hereafter.

(2) Cities of the second class in Kentucky which have no pension funds in existence and operation as of the effective date hereof, may, by ordinance or resolution elect to create a pension fund which shall be operated under the provisions hereof.

(3) The provisions hereof do not relate to employes of a city covered by the Police and Firemens Pension Fund.

Section 3. (1) In cities having pension funds, members thereof retired by reason of age or disability and the widows or other dependents drawing funds from said fund shall be continued upon the same terms and conditions as were in operation at the time they began to draw their compensation.

(2) In cities having pension funds, members thereof together with those who hereafter become members, and their widows and other dependents shall draw compensation pursuant to the provisions hereof.

Section 4. There is hereby established in the City of ________, Kentucky, a retirement and benefit fund for employes of the city, their dependents and beneficiaries. The fund is established forthwith and shall be known as the "Employes Retirement Fund of the City of ________________, Kentucky." In such name its business shall be transacted, its monies invested and its accumulated reserves consisting of cash, securities and other property held. It shall receive all assets, cash, securities and other property presently held by the trustees of an existing fund.

Section 5. The purpose of this fund is to provide retirement annuities and disability benefits for the employes of the city who become aged or otherwise incapacitated, and widows' annuities and other benefits to the dependents of such employes to the end that such employes may accumulate reserves for themselves and their dependents to meet, without prejudice or hardship, the hazards of old age, disability, death and termination of service, thereby encouraging qualified personnel to enter and remain in the service of the city.

Section 6. The following persons are members of the fund:

(1) Employes of the city in the classified service on the date prior to the date of establishment.

(2) Persons who become classified employes on or after the date of establishment who become members as a condition of employment.

Section 7. (1) Each person becoming a member on the date of establishment is entitled to full credit for service rendered prior to such date. Each person becoming a member after the date of establishment is entitled to credit after such date, provided contributions are made for all such subsequent service.

(2) The following types of service are eligible for service credit:

(a) Service as a full-time employe of the city.

(b) Service in another capacity of the city, State of Kentucky or the federal government, while on approved leave of absence from the city, subject to a maximum credit for such service of one year.

(c) Service in any branch of the armed forces of the United States during a period of national emergency while on leave of absence from the city, provided 1. that such leave-of-absence service does not exceed five years, and 2. that such member re-enters the service of the city within a period of six months following the date of honorable discharge from such service.

(3) In the computation of service credit, nine months or more of service during a year entitles a member to one year of service; six to nine months of service constitutes three-quarters of a year; three to six months, one-half year; and less than three months, one-quarter of a year.

Section 8. Any member may, at his option, retire on a service retirement annuity upon or after attainment of the age of sixty years, provided he has completed at least twenty years of total service. Upon fulfillment of these terms, it is mandatory that the board grant the retirement annuity upon receipt of the application of said member.

Section 9. Any member who withdraws from service prior to age sixty years after having completed at least twenty years of total service, and who does not accept a refund of contributions, shall receive, upon application, a certificate entitling him to a service-retirement annuity upon his attainment of age sixty, or upon total disability as set forth in Section 15 and specifying the amount of the annuity earned and accrued at the date of withdrawal from service.

Section 10. Each member is subject to compulsory retirement according to the rules of the city in which he is employed, provided, however, that any member able to perform his assigned duties shall not be precluded from serving at least twenty years.

Section 11. The rate of retirement annuity is two and one-half percent of average salary, as defined in subsection (1) of Section 1 for each year of total service; and one percent of average salary for each year of total service after twenty years, subject to a maximum of sixty-five percent of average salary. Fractional periods of service shall be considered in the calculation of such annuities according to the aforesaid rate.

Section 12. (1) Upon death of a member, due to occupational causes, regardless of length of service, his surviving widow shall be entitled immediately upon cessation of salary to an annuity equal to fifty percent of the member's average rate of salary, as herein defined. This annuity shall be payable until she dies or remarries. In addition, if minor children of the member under age eighteen survive the member, the widow shall receive on account of each child, ten percent of the member's last rate of salary until each child attains age eighteen. The combined payments to a widow and minor child shall not exceed seventy percent of his average rate of salary, as herein defined.

(2) If a widow does not survive the member, or if she remarries, and minor children of the member under age eighteen exist, each child is entitled to an annuity equal to ten percent of the member's last rate of salary until each child attains age eighteen, but the combined payments to such children shall not exceed fifty percent of the member's average rate of salary, as herein defined.

(3) If neither a widow nor minor children eligible for benefits survive the member, each dependent parent is entitled to an annuity equal to twenty-five percent of the member's last rate of salary, or fifty percent to both parents.

Section 13. (1) Upon death of a member occurring while in service, arising from any cause other than in the performance of duty, provided the member had at least ten years of total service, his widow shall receive an annuity equal to one and one-half percent of average salary for each year of total service, credited to the member, subject to the following conditions:

(a) That the widow has been married to the member at least one year prior to his death.

(b) That the widow is at least forty years of age, otherwise payment shall be deferred until she attains such age, except that if she is or becomes totally disabled before age forty, or has a minor child or children by the member in her care under age eighteen (including adopted children provided the proceedings for adoption were initiated at least one year prior to death of member) payment of the widow's annuity shall begin immediately together with an additional allowance on account of the child or children.

(c) The widow's annuity shall terminate in any event when the widow remarries. The annuity of each child or children shall continue until each child attains age eighteen.

(2) If the widow has minor children by the member under age eighteen, the annuity to the widow shall be increased one-half on account of the first child and one-fourth on account of each additional child, subject to a maximum combined payment to the widow and children of fifty percent of the final rate of salary.

(3) These benefits shall also be payable upon death of the member while on retirement, provided marriage was in effect for at least one year before retirement.

Section 14. In the event of total and permanent occupational disability, the member shall receive an annuity equal to sixty percent of his rate of salary, based upon an average of the three highest salary years. This benefit shall begin at such time as his salary may cease, and shall be paid during his entire lifetime. Upon his death, his eligible widow and minor children, if any, shall receive the benefits as provided in Section 13.

Section 15. (1) Upon total and permanent disability of a member as the result of any cause other than occupational disability, if a member rendered at least ten years of total service, he shall be entitled to a disability retirement annuity. The amount of such annuity shall be equal to two and one-half percent of average salary for each full year of total service, subject to a minimum payment of twenty-five percent of such average salary, and a maximum payment of fifty percent of average salary. Payment of this annuity shall be made during disability of the member. Upon death of the member, if any eligible widow or minor children survive, such survivors shall be entitled to the regular annuities provided under Section 13.

(2) An annuity for non-occupational disability shall begin to accrue upon the expiration of ninety days following the commencement of disability. If the member is receiving salary for sick leave for a period of more than ninety days, payment shall accrue from the date such salary ceases. If written application for such annuity has not been filed with the board prior to the expiration of ninety days from the date of disability, the annuity shall begin to accrue from the date the application is filed but not prior to the expiration of ninety days from the date of disability, nor in any event prior to the time when salary payments to the employe ceased.

Section 16. For the purposes hereof, a member shall be considered totally and permanently disabled after the board has received written certification by at least two licensed and practicing physicians selected by the board that the member is totally and permanently disabled, shall grant a disability retirement annuity upon written certification that the member has been separated from the service of the city because of total disability of such nature as to reasonably prevent further service for the employer, and as a consequence is not entitled to compensation from the city.

Section 17. (1) Upon death of a member, occurring while in active service, if no annuities are payable, the designated beneficiary to the member or his estate shall be entitled to a death benefit equal to the total contributions made by the member, without interest, or three hundred dollars, whichever is greater.

(2) Upon death of a retired member, if no annuities shall be due or payable, a death benefit shall be paid to the designated beneficiary or estate of the member, equal to the excess, if any, of the total

contributions made by the member to this fund to the date of retirement, without interest, over the total annuity payments received by the member. The minimum payment in such case shall be three hundred dollars. If any annuities are payable after the death of a retired member, the amount of such death benefit, if any, shall be determined upon termination of annuity payments to all survivors of the member, whether such termination occurs by death, remarriage or other cause.

Section 18. (1) Upon withdrawal from service prior to retirement, a member shall be entitled to receive a refund of one-half of the amount of contributions made by the member after the date of establishment, without interest. A member discharged for cause shall receive no refund.

(2) Any member receiving a refund of contributions shall thereby ipso facto forfeit, waive and relinquish all accrued rights and benefits in the system, including all credited and creditable service. The board may, regardless of cause, withhold payment of a refund for a period not to exceed six months after receipt of an application from a member.

(3) Any member who has received a refund shall be considered a new member upon subsequent reemployment if such person qualified for membership under the provisions hereof. After the completion of at least five years of continuous membership service following his latest reemployment, such member shall have the right to make a repayment to the fund of the amount previously received as a refund, including six percent interest from the date of refund to the date of repayment. Upon the restoration of such refunds, as herein provided, such member shall have reinstated to his account all credited service represented by the refunds of which repayment has been made. Repayment of refunds by any member shall include all refunds received by a member prior to the date of his last withdrawal from service and shall be made in a single sum.

Section 19. Each active member shall contribute a sum, not to exceed six percent of current salary, which shall be determined and fixed by the board of commissioners as deemed necessary. The city is authorized to deduct such amount from the salary of each active member at the close of each payroll period. This contribution shall be made as a deduction from salary, notwithstanding that the salary paid in cash to such member may be reduced thereby below the legally established rate. Every member of the fund shall be deemed to consent and agree to the deduction from salary as herein provided, and shall receipt for his full salary, and payment to such member of salary less such deduction shall constitute a full and complete discharge and acquittance of all claims and demand whatsoever for the services rendered by such member during the period covered by such payment, except as to the benefits herein provided.

Section 20. The city shall make current contributions to the fund according to the following conditions:

(1) During the first fiscal year of operation of the fund the city's total contribution shall be fixed by the board of commissioners to be at least equal to the total contributions made by the members during the same period.

(2) For each fiscal year following the first year, the city's contribution shall be fixed by the board of commissioners to be:

(a) An amount at least equal to the total contributions made by the members during the same period, plus,

(b) An additional amount which shall be at least equal to any decrease in the principal of the face value of assets held by the fund as of the close of the last completed fiscal year compared with the principal of the face value of the assets held by the fund on the date of establishment; such decrease, if any, shall be determined by a competent accountant to be named by the board of commissioners.

Section 21. (1) The responsibility for the proper operation of the fund and the direction of its policies shall be vested in a board of trustees consisting of:

(a) The mayor ex officio.

(b) Six members all of whom shall be members in good standing of the fund. Each of such members shall be from a different department of the city government. In the event that there be less than six departments in the city government, then the department with the greatest number of member employes shall be allowed two members of said board of trustees, and if there be less than five departments in the city government then the next department with the next greatest number of member employes shall be allowed two members of the board of trustees, and so on until the board of trustees is filled. If there be more than six departments in the city government, then the six members of the board of trustees shall be elected from the six departments having the greatest number of member employes. However, the sixth department, for the purposes of nomination and election, shall include all members of all departments other than the first five departments having the greatest number of employes.

(c) The members of the board of trustees shall be nominated and elected by the members of the particular department in which they are employed.

1. In the event of a vacancy on the board, the board may fill the vacancy by appointment until the next regular election.

2. Subject to the foregoing provisions, there shall be held once

during each fiscal year an election among the members for trustees of the fund, which shall be in accordance with those rules adopted by the board to regulate said election.

Section 22. In addition to other duties arising out of this Act, the board shall:

(1) Hold regular monthly meetings and such special meetings as may be deemed necessary, and keep a full record of all its proceedings, which shall be open to inspection by the public.

(2) Provide for the installation of a system of accounts and records that will give full effect to the requirements of this Act.

(3) Obtain such information from the participating members and the city as shall be necessary for the proper operation of the fund.

(4) Consider and pass upon all applications for annuities, benefits, refunds and other payments, and authorize the expenditure for such purposes, in accordance with the provisions hereof. The board shall have authority to promulgate such rules and regulations, not inconsistent with the provisions of this Act, necessary for the proper determination of all claims before it.

(5) Accept any gift, grant, or bequest of any money or property of any kind, for the purposes designated by the grantor, if such purposes are specified as providing cash benefits to some or all of the members or annuitants of the fund. If no such purposes are designated, the same shall be credited to the account representing income from investments.

(6) Have the accounts of the fund audited as of the end of each fiscal year, by a competent accountant, and submit an annual report to the city as soon as possible following the close of the year, embodying, among other things, a balance sheet showing the financial condition of the fund, a statement of income and expenditures for the year and such other financial or statistical data as are necessary for a proper interpretation of the condition of the fund and the results of its operations. The board shall also cause to be published for distribution among the members a synopsis of such report.

Section 23. (1) The officers of the board shall consist of a president, a vice-president and a secretary. The president shall be the chief executive officer of the board, shall preside at all meetings and shall appoint all necessary committees. The vice-president shall serve in the absence of the president.

(2) The board shall designate a secretary who may or may not be a member of the board and shall fix his compensation. The secretary shall keep a full account of all proceedings of the board, shall give notice of all meetings, and give effect to all resolutions, orders

and directives of the board. He shall be in charge of the detailed affairs of administration of the fund; shall keep the record of proceedings of all meetings; shall keep all books, files, records and accounts of the fund; shall receive all applications for annuities, benefits and refunds; shall prepare periodic reports relative to the financial operations of the fund for the information of the board; shall compile all statistics pertinent to the operation of the fund; and shall answer all correspondence received by the board.

(3) The city treasurer shall be ex officio treasurer of the board and custodian of the fund; shall have custody of all cash and securities of the fund, subject to the authority and directives of the board; and shall keep such accounts and records as may be prescribed by the board.

(4) The law department of the city shall serve as legal advisors to the board on all matters pertaining to the fund involving suits or actions at law, and on any questions as to the interpretation of the provisions hereof, or, if the board so elects, it may retain special counsel.

(5) The board shall establish rules and regulations to implement the provisions of this Act which shall not be inconsistent therewith.

Section 24. The board may invest the moneys accruing to the fund in interest bearing bonds of any county or city of the first, second or third class in this state, or in any securities in which trustees are permitted to invest trust funds under the law of this state.

Section 25. An adequate system of accounts and records shall be established and maintained for the fund that will reflect fully the requirements of the provisions of this Act. This system shall be integrated to the extent possible with the accounts, records and procedures of the city to the end that the same shall operate most effectively and at minimum expense, and that duplication of records and accounts may be avoided.

Section 26. Moneys ordered paid from the fund to any person shall be paid by the treasurer only upon order of the board entered on the record of proceedings of the board.

Section 27. Each member shall, by virtue of the payment of contribution to the fund, receive a vested interest in such contributions, and in consideration of such vested interest, shall be conclusively deemed to undertake and agree to pay the same and to have the amounts deducted from his salary as herein provided.

Section 28. The right to a retirement annuity, disability annuity, survivors annuity or benefit, death benefit, or any other benefit under the provisions hereof by whatever name called, or refund, is personal with the recipient thereof, and the assignment or transfer of such benefit or any part thereof shall be void, except as herein provided. Any such annuity, benefit, or refund shall not answer for debts contracted by the person receiving the same, and it is the intention of this section that they shall not be attached or affected by an judicial proceeding.

Section 29. Any service retirement annuity, disability retirement annuity, or any other annuity provided herein shall be payable in equal monthly installments as life annuities, and shall not be decreased, revoked or repealed, except for error, or except where specifically otherwise provided. The cost of providing death benefits for members in receipt of retirement annuities shall not be construed as a reduction in the life annuity payable to the member. The first payment of an annuity shall be made for the fraction of a month elapsing until the end of the first month; and the last payment shall be made as of the end of the month in which death occurs.

Section 30. It is the intention of this Act that the payment of the required contributions by the city, all allowances, annuities and benefits shall be the obligation of the city, and that administration expenses incurred in operating the fund shall be paid by the city.

Section 31. (1) It is the intention hereof that the fund herein created shall supersede and take the place of the pension fund heretofore created pursuant to enabling legislation by any ordinances of the city heretofore enacted.

(2) The fund created by this Act shall succeed to and assume all assets of any existing retirement or pension fund of every kind and character whatsoever, including cash, securities, receivables and accruals.

(3) The fund created by this Act shall assume all liabilities, obligations, annuities, pensions and benefits previously granted and in force by ordinances heretofore in effect.

(4) The fund hereby created shall continue to make payments of all such annuities, pensions and benefits granted by such pre-existing pension ordinances at the rates previously fixed and under the conditions previously in effect.

(5) Police and Firemen's Pension Funds are excepted from the provisions of this section.

Section 32. After a determination has been made on any application by the board, any interested person may, within twenty days after notice of the determination or finding of the board, apply for a rehearing with respect to any of the matters determined by the board. The application shall specify the matter of which a rehearing is sought. The board shall fix the time for the rehearing within twenty days after the same is filed unless otherwise agreed by the parties. Upon the rehearing a complete transcript shall be made of all evidence presented. The cost of such transcript shall be borne equally by the applicant for the rehearing and the board. Upon rehearing, the board may change, modify, vacate or affirm its previous order upon said application and enter such an order as it deems necessary.

Section 33. (1) The order or determination of the board upon the rehearing shall be conclusive and binding, but any interested party may, within twenty days after the rendition of the order of the board, by petition appeal to the circuit court of the county in which the city is located for a review of the order of the board.

(2) The petition shall state fully the grounds upon which a review is sought, assign all errors relied on and be verified by the petitioner who shall furnish a copy to the board at the time of filing of the same. Summons shall be issued directing the board to answer within twenty days and directing the board to send the original record to the circuit clerk certifying that such record is the entire original record of the rehearing which shall be filed by the clerk of the circuit court and such record shall then become and be considered by the circuit court on the review. The appeal provided for herein shall not be considered effective unless the person making the appeal has paid to the board one-half of the cost of the transcript of the record of the rehearing within the period provided for making the appeal.

(3) No new or additional evidence may be introduced in the circuit court except as to fraud or misconduct of some person engaged in the administration of this Act, and affecting the order, decision or determination appealed from, but the court shall otherwise hear the cause upon the record as certified by the board and shall dispose of the cause in summary manner, its review being limited to determining whether or not:

(a) The board acted without or in excess of its powers.

(b) The order, decision or determination was procured by fraud.

(c) The order, decision or determination of the board is not in conformity with the provisions of this Act.

(d) If findings of fact are in issue the party seeking to set aside any order, decision or determination of the board shall have the burden of proof to show clear and satisfactory evidence that the order, decision or determination is unreasonable or unlawful. If upon appeal as herein provided the order, decision or determination is reversed the party perfecting the appeal shall be refunded by the board his portion of the costs paid for the transcript of the record made on the rehearing.

(4) The board and each interested party may appear before the circuit court. The court shall enter judgment affirming, modifying or setting aside the order, decision or determination appealed from, or in its discretion remand the cause to the board for further proceedings in conformity with the direction of the court. The court may, before judgment and upon a sufficient showing of fact, remand the cause to the board.

Section 34. (1) The judgment of the circuit court shall be subject to appeal to the Court of Appeals. The scope of review by the Court of Appeals shall include all matters subject to review by the circuit court and also errors of law arising in the circuit court and upon appeal made reviewable by the Rules of Civil Procedure.

(2) The procedure as to appeal to the Court of Appeals shall be the same as in civil actions so far as it is applicable to and not in conflict with this Act.

Section 35. Any person who knowingly makes any false statement, or falsifies, or permits to be falsified, any record of this fund, in any attempt to defraud the fund, is guilty of a misdemeanor, and shall be punishable therefor under the laws of the State of Kentucky, and the fund shall have the right to recover any payments made under false representations.

Said Committee Amendments to **HB 236** are as follows:

Amend printed copy of House Bill 236 on page 1, lines 10-11, by: striking out the words "exclusive of" and inserting in lieu thereof the word "except"

On page 2, line 3, by striking the "." after the word provided and inserting at the end of said line the words "except service of police and firemen."

On page 2, line 26, by inserting between the words "funds" and "presently" the following: "except police and firemen pension and retirement fund."

On page 3, lines 4 to 7, by striking out all of said lines and inserting in lieu thereof the following: "hereof for city employes exclusive fo police and firemen, may, by ordinance or resolution elect to create the pension fund for such city employes which shall be operated under the provisions hereof."

On page 17, lines 5 to 12, by striking out all of said lines and inserting in lieu thereof the following: "ordinances of the city heretofore enacted except police and firemen and/or retirement fund.

(2) The fund created by this Act shall succeed to and assume all assets of any existing retirement or pension fund of every kind and character whatsoever, including cash, securities, existing receivables and accruals with the exception of the police and firemen's retirement fund.

(3) The fund created by this Act shall assume all liabilities, obligations, annuities, pensions and benefits previously granted and in force by ordinances heretofore in effect except police and firemen and/or retirement fund."

HB 153, AN ACT relating to motor vehicles.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 186.060 is amended to read:

(1) Applications for registration of motor vehicles owned exclusively by a county, city or board of education in the state or by the state or Federal government shall be accompanied by a statement from the head of the department of the governmental unit that owns the motor vehicle, certifying that the motor vehicle is exclusively owned and operated by the governmental unit. The application and statement shall be forwarded by the county clerk to the department, which shall give special authority to the clerk to register it. Upon receiving that authority the clerk shall issue a registration receipt and the official number plate described in KRS 186.240 (3), and report the registration to the head of the department authorizing the registration. For his services in issuing such certificate of registration and number plate and reporting the same, the county clerk shall be entitled to a fee of fifty cents in each instance, to be paid by the department upon whose authorization such license was issued.

(2) After such registration of any vehicle owned exclusively by *a county, city or board of education in the state or by the state or federal government* [the state] and after issuance of such number plate for such vehicle so owned, no subsequent registration or renewal of same, and no subsequent renewal of a number plate of said vehicle shall be necessary so long as said vehicle is owned exclusively by *such governmental unit* [the state,] except in the case of loss or destruction of said license plate. In the event of such loss or destruction, said number plate shall be replaced in the same manner as if no plate had ever been issued.

(3) When a motor vehicle owned exclusively by a county, city or board of education in the state or by the state or federal government is transferred or sold to another governmental unit a new license plate shall be issued for the vehicle in the same manner as provided for in subsection (1) of this section and shall have the same effect as given to such license plates in subsection (2) of this section.

(4) [(3)] No person shall use on a motor vehicle, not exclusively owned by a county, city board of education in the state, or the state or federal government, any license plate that has been issued for use on a motor vehicle owned by such a governmental unit.

HB 395, AN ACT relating to livestock marks and brands.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. As used in this Act, unless the context otherwise requires:

(1) "Animal" means any cattle, horse or mule;

(2) "Board" means the State Board of Agriculture;

(3) "Brand" means a permanent identification mark of which the letters, numbers and figures used are each three inches or more in length or diameter and are humanly burned into the hide of a live animal with a hot iron or tattoo or caustic chemical substance and is to be considered in relation to its location on the animal and the term relates to both the mark and location;

(4) "Commissioner" means the Commissioner of Agriculture;

(5) "Livestock" means any cattle, horse or mule;

(6) "Mark" means a permanent cut identification from the ear of a live animal.

Section 2. Except as otherwise provided herein and except as may be directed by the board, the powers, duties and functions vested by this Act in the board shall be exercised and performed by the commissioner. The board may adopt such rules and regulations and hold hearings as required to carry out the provisions and intent of this Act.

Section 3. The board shall approve brands for registration and issue certificates of approval, and shall serve as an adjudicating committee in the matter of deciding and determining conflicts of brands and its decision shall be final. It shall publish a state report containing a facsimile of each and every brand and mark that is registered with the board, showing the owner's name and address, together with pertinent laws, rules and regulations pertaining to the registration and registration of brands.

Section 4. The board is the legal custodian of any county record that may have been maintained under prior programs and shall upon request furnish a certified copy of the record of any brand appearing in the county brand record books and shall charge a fee of one dollar for each such brand.

Section 5. Any application for the registration of a mark or brand with the board shall be on a form prescribed by the board and shall be accompanied by a fee of ten dollars for each mark or brand to be registered. Any such application for a brand shall show the brand location to the following body regions of animals: neck, shoulder, rib and hip. When a requested brand has been filed previously, the commissioner and the applicant shall agree on a second choice of brand and body location.

Section 6. The board shall publish at such times as it deems necessary a report of the brands that have been registered. Every five years thereafter all brands shall be reregistered. The commissioner shall notify each brand owner and provide the necessary forms. A reregistration fee of five dollars for each brand shall be charged for the ensuing five year period or fraction thereof. The county clerk and the sheriff of each county, or authority approved by the board shall receive all brand reports without cost and the books shall remain as a part of the permanent records of their respective offices.

Section 7. Brands appearing in the current edition of the state report, or supplements thereto, shall be prima facie evidence of ownership and take precedence over brands of like and kind should the question of ownership arise. An owner whose brand does not appear in the state report, or a supplement thereto, shall produce evidence to establish his title to the property in the event of controversy.

Section 8. Any peace officer of the state has the authority to order funds of an animal of questionable ownership held until ownership is established. If ownership is not established within thirty days, the person holding the funds shall remit them to the board, which shall hold the funds for one year. If the title to the animal in question is not ascertained, then the funds shall be deposited in and become a part of the State Department of Agriculture Trust Fund.

Section 9. There is hereby reserved to the State of Kentucky the brands of "B" and "T" on the jaw of cattle, "V" and "AV" on the body, and it shall be unlawful for any person other than authorized agents of the State Board of Agriculture to use any of these brands. Cattle carrying the "B" on the jaw shall be recognized as reactors to Brucellosis Abortus (Bangs Disease). Cattle carrying the brand "T" on the jaw shall be recognized as reactors to Bovine Tuberculosis. Cattle carrying the brand "V" or "AV" on the body are officially calfhood vaccinated.

Section 10. Only brands appearing in the current edition of the state report, or a supplement thereto, shall be subject to sale, assignment, transfer, devise or bequest. The transfer of title must be recorded with the commissioner. The fee for recording the transfer of title is one dollar.

Section 11. All persons selling livestock branded with their brand, or brand and mark, recorded in a current state report or a supplement thereto, shall, upon request of a purchaser of such livestock, execute a written transfer of ownership to the purchaser.

Section 12. All fees charged and collected under the provisions of this Act shall be deposited in the State Department of Agriculture Trust Fund.

Section 13. Any person who knowingly places upon any livestock a mark or brand which has not been registered with the board shall, if such mark or brand duplicates one that is registered with the board, be guilty of a misdemeanor. Such duplication shall be the use of a similar brand, used in any position on the animal designated for the use of a registered brand, such as the neck, shoulder, rib or hip.

HB 436, AN ACT relating to license taxes.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

KRS 137.010(1), 137.020 and 137.030 are hereby repealed.

HB 370, AN ACT relating to the practice of architecture.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 323.010 is amended to read:

As used in this chapter, unless the context requires otherwise:

(1) "Board" means the *Kentucky Board of Architecture* [State Board of Examiners and Registration of Arichitects of Kentucky];

(2) An "architect" is a natural person, *who by professional architectural education and practical experience is technically qualified and licensed under the laws of this state* [proficient in the art of planning, designing, specifying, supervising and administering the construction of buildings and who is licensed] to practice architecture;

(3) The "practice of architecture" consists of performing or offering to perform any professional service involving consultations, planning, designing, specifying, responsible supervision or administration of the construction of any building or additions or alterations thereto;

(4) A "building" is a structure erected as a shelter for human beings, their activities and possessions.

Section 2. KRS 323.030 is amended to read:

(1) A non-resident licensed to practice architecture in his own

state or country but not in the Commonwealth and having no established place of business in the Commonwealth may act solely as a consulting associate of an architect licensed in the Commonwealth.

(2) An architect acting solely as an officer or employe of the United States Government is not required to be licensed in the Commonwealth.

(3) *Any person who is licensed under the law of this state as a registered professional engineer may perform such architectural work as is incidental to engineering projects or utilities.* [A licensed professional engineer may prepare plans and specifications for and supervise the construction of structures as an incident to the practice of his own profession.

(4) If the drawings and specifications are signed by the authors thereof with the true titles of their occupations as may be required by law, this chapter does not apply to:

(a) Any building which is to be used for farm purposes only;

(b) Any building containing not more than 20,000 square feet total floor area, except:

1. An asylum, hospital, nursing or convalescent home, or home for the aged, regardless of capacity;
2. A school or educational institution, regardless of capacity;
3. A residential building containing more than twelve bedrooms;
4. A place of assembly, regardless of capacity;
5. A mercantile building having a capacity in excess of one hundred persons; and
6. An industrial building having a capacity in excess of one hundred persons; and
7. An office building having a capacity in excess of one hundred persons;

(c) Alterations to any building to which this chapter does not apply, if the alterations do not involve changes affecting structural safety.

Section 3. A licensed architect may perform such engineering work as is incidental to architectural projects.

Section 4. KRS 323.050 is amended to read:

(1) To obtain a license to practice architecture in Kentucky an applicant must satisfactorily pass an examination as prescribed by the board, except as otherwise provided in this chapter.

(2) Every applicant for examination shall fulfill the following requirements:

(a) Must be of good moral character; and

(b) Must be a citizen of the United States of America and at least twenty-five years of age; and either

(c) Must be a graduate of an accredited school of architecture with at least three years' additional architectural experience satisfactory to the board; or

(d) Must be a graduate of an accredited high school or have had education equivalent thereto as determined by the board, and, in addition, at least [five] *ten* years' varied architectural experience satisfactory to the board.

(3) Examinations shall be given at least *annually,* [semi-annually,] the time and place to be established by the board.

Section 5. KRS 323.095 is amended to read:

(1) Each architect licensed for practice within the Commonwealth shall secure *a* [an embossed circular] seal of the design prescribed by regulation of the board.

(2) All working drawings [,] *or* specifications [and reports] prepared by, or under the supervision of the individual, partnership or firm, must bear the imprint of this seal.

(3) No architect shall [sign or] affix his seal to any drawings [,] *or* specifications [or reports] which have not been prepared under his immediate supervision.

Section 6. KRS 323.110 is amended to read:

(1) (a) All architects desiring to continue practice shall annually, prior to July 1, secure from the board a renewal certificate upon the payment of a fee of not more than *fifty* [fifteen] dollars. Not later than June 15 of each year the board shall notify by mail all architects of the renewal date and fee. Application for a renewal shall be upon such form as is prescribed by the board and the architect shall furnish the information required by such form.

(b) Failure of any architect to secure his rewenal certificate within *ninety* [sixty] days after July 1 shall constitute *automatic revocation of* [sufficient cause for the board to revoke] his license.

(c) The board may restore a license that has been revoked for failure to pay the renewal fee [, after one year from the date of revocation and] upon the payment of all delinquent fees. *If five years after revocation have elapsed without the payment of the renewal fee the architect shall return to the status of a new applicant.*

(2) A licensed architect may voluntarily surrender his license to the board and thereby be relieved of the annual renewal fee. After surrendering his license, he shall not be known as a licensed architect and shall desist from the practice thereof. Within five years from the

time of surrender of the license he may again qualify for a license without examination by the payment of the required fee. If five years thereafter have elapsed, he shall return to the status of a new applicant.

Section 7. KRS 323.120 is amended to read:

(1) The board may refuse to renew or may suspend or revoke the license of any architect to practice architecture in the Commonwealth of Kentucky for any of the following reasons:

(a) Gross incompetency or gross negligence in the planning or construction of buildings, as determined by the board;

(b) Unprofessional conduct, or conduct tending to bring the profession into disrepute, as determined by the board;

(c) Conviction of a felony;

(d) Fraudulent or dishonest architectural practice;

(e) Use of false evidence or misrepresentations in an application for licensing;

(f) Signing or affixing his seal to any plans, prints, *or* specifications of buildings, [or reports,] which have not been prepared by him personally or [by his employes] under his supervision.

(2) The board shall revoke the license of an architect who practices architecture while his license is suspended.

Section 8. KRS 323.130 is amended to read:

(1) No license shall be revoked or suspended without a hearing *except for failure to secure the renewal certificate.* The board may proceed against a licensee on its own initiative, on the basis of either information contained in its own records or information obtained through its informal investigation. When a formal complaint verified by affidavit is filed with the board by a responsible citizen or organization, containing allegations that if true would warrant suspension or revocation of a license, the board shall proceed against the licensee within three months.

(2) A written notice stating grounds for possible suspension or revocation of the license, setting forth with reasonable particularity the facts constituting the alleged offense and the time and place of the hearing before the board on the charges, shall be the *Head of the School of Architecture* [Dean of the the date of the hearing either personally or by mailing a copy thereof by registered mail to the address of the accused last known to the board.

Section 9. KRS 323.150 is amended to read:

The board shall consist of five members, four of whom shall be appointed by the Governor. The fifth member of the board shall be served on the accused not less than twenty days prior to College of

Engineering] of the University of Kentucky. [But if at any time a five-year professional curriculum of architecture is established in the Commonwealth of Kentucky, the head of such curriculum shall replace the Dean of the College of Engineering of the University of Kentucky as a member of the board.]

Section 10. KRS 323.210 is amended to read:

(1) The Board shall:

(a) Adopt and provide itself with a seal with a band inscribed, *Kentucky Board of Architecture* ["State Board of Examiners and Registration of Architects of Kentucky"] with the coat of arms of the state in the center;

(b) Make all necessary regulations concerning the contents and conduct of examiantions, the method and time for filing applications for examiantions and the time within which an applicant shall be examined after his application has been filed;

(c) Keep a complete record of its proceedings and an accurate list of all applications made, licenses issued and licenses revoked; and

(d) Make a general report including finances to the Governor annually.

(2) The board may adopt all reasonable regulations not inconsistent with this chapter that are necessary to carry into effect the purposes of this chapter.

(3) The board may take such action as it determines is required to execute the purposes of this chapter.

Section 11. KRS 323.250 is amended to read:

(1) No official of this state or of any county, city, town or village herein, now or hereafter charged with the enforcement of laws, ordinances or regulations relating to the construction or alteration of buildings, shall accept or approve any plans or specifications which have not been prepared and submitted in full accord with all the provisions of this chapter. Payment shall not be approved by any public body for any work, the plans and specifications for which have not been so prepared and sealed by the author.

(2) Whenever in the judgment of the board any preson has engaged, or is about to engage, in any acts or practices that constitute, or will constitute, a violation of KRS 323.020, the board may inform the Attorney General, who may make application to the Franklin Circuit Court for an order enjoining such acts or practices, or the board may inform the Commonwealth's Attorney of the county in which the acts or practices are occurring or will occur who may make application to the circuit court of that county for an order enjoining such acts or practices. Upon a showing by the board that

such person has engaged, or is about to engage, in any such acts or practices, an injunction, restraining order, or such other order as may be appropriate shall be granted by such court. Any order of the Franklin Circuit Court shall be enforceable and shall be valid anywhere in this state and the order of either court shall be reviewable as provided in the Rules of Civil Procedure in the case of other injunctions and restraining orders.

HB 481, AN ACT relating to county finance.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 66.310 of the Kentucky Revised Statutes is amended to read as follows:

(1) No county may contract an indebtedness which, together with all other indebtedness of the county, is in excess of one-half of one percent of the value of the taxable property therein, as determined by the next preceding complete assessment, and issue valid bonds therefor, without having first secured the written approval of the State Local Finance Officer. Any other bonds to be issued or reissued by any county may be submitted for approval as hereinafter provided. When the fiscal court of any county has petitioned the State Local Finance Officer under KRS 66.320 for assistance in formulating a plan for reorganizing its debt structure, or has received the approval of any issue or reissue of county bonds voluntarily as provided in this section, all bonds thereafter issued or reissued by the county must be approved as provided in this section.

(2) Without the approval of the State Local Finance Officer a county may not lease, as lessee, a building or public facility that has been or is to be financed at the county's request or on its behalf through the issuance of bonds by another public body or by a nonprofit corporation serving as an agency and instrumentality of the county for that purpose, unless such bonds if issued by the county itself as its own general obligations, would be exempt under the provisions of sub-section (1). If such approval is required, the State Local Finance Officer shall hold a hearing for the purpose of considering the terms of the lease upon the same basis as is provided under sub-section (3), and interested parties shall have the same right of appeal as is therein provided. This sub-section does not apply to leases entered into before July 1, 1964, nor to renewals thereafter of leases entered into before that date, nor to bonds referred to in this sub-section if the same shall have been sold prior to that date, whether or not actually delivered to the purchaser or purchasers thereof before that date.

(3) The State Local Finance Officer shall hold a hearing for

the purpose of determining whether any issue or reissue of bonds submitted to him for approval should be approved or disapproved. The State Local Finance Officer shall withhold his approval if he believes the financial condition and prospects of the county do not warrant a reasonable expectation that interest and principal maturities can be met when due without seriously restricting other expenditures of the county; if, in his discretion, the issue or reissue of bonds will not serve the best interests of both the county issuing same and a majority of its creditors; or if it appears that the bonds or the issuance thereof will be invalid. If the State Local Finance Officer is petitioned by any county to approve the issuance of bonds to refund outstanding county bonds, and if the State Local Finance Officer is unable to find that the bonds sought to be refunded were in their entirety validly issued, he shall nevertheless find that bonds may be issued validly for the purpose of refunding said bonds, in equivalent or lessor par principal amount, provided that the interest rate to be borne by said refunding bonds shall be such as to make possible their liquidation within their life at no greater average annual cost to the county than would be required to liquidate, within the same number of years, the portion of the outstanding indebtedness found to be valid at the interest rate borne by it before refunding.

(4) The State Local Finance Officer shall give at least two weeks' notice of the hearing herein above required to the county judge of the county proposing to issue such bonds, and the county judge shall cause a copy of said notice to be posted at a conspicuous place near the front door of the courthouse at least ten days, exclusive of Sundays and holidays, prior to the date set for the hearing. In the case of bonds proposed to be issued for the purpose of refunding currently outstanding bonds, the State Local Finance Officer shall in addition cause a notice of said hearing to be published at least ten days, exclusive of Sundays and holidays, prior to the date set for the hearing in a financial newspaper or periodical having general circulation among bondholders and bond dealers and said notice shall be paid for by the Department of Finance out of its appropriation. Any party having a material interest shall have an opportunity to be heard and to present evidence. The State Local Finance Officer shall make a record of the proceedings of such hearing and shall prepare a written decision approving or disapproving the issuance of the proposed bonds. Any interested party or taxpayer may within fifteen days, exclusive of Sundays and holidays, appeal to the commission from the decision of the State Local Finance Officer. The commission, upon the basis of the record prepared by the State Local Finance Officer, and of any additional evidence which may be introduced, shall pass upon the decision of the State Local Finance Officer.

(5) Within thirty days, exclusive of Sundays and holidays, after

a decision by the commission any interested party or taxpayer of the county, upon filing bond for costs, may appeal to the Franklin circuit court or, in the case only of bonds proposed to be issued for the purpose of funding floating indebtedness, to either the Franklin circuit court or to the circuit court of the county proposing to issue said bonds. Appeal shall be taken by filing with the clerk of the court a copy of the record of the proceedings and decision of the State Local Finance Officer and the decision of the commission. The commission, the fiscal court, the taxpayers of the county, and, in the case of funding or refunding bonds, the creditors whose claims or bonds are proposed to be funded or refunded, shall be made parties to the appeal. Summons shall be served and class representatives designated as provided in the Civil Code of Practice. To facilitate adjudication the State Local Finance Officer is hereby required, on payment of a reasonable fee therefor to be fixed by the State Local Finance Officer, to supply a certified copy of such records to any party. The case shall be advanced on the docket of the circuit court and shall be heard and decided as in the case of a declaratory judgment, except that all findings of fact of the State Local Finance Officer and of the commission shall be final if supported by any substantial evidence, provided, however, that in the case only where the question of the validity of the indebtedness proposed to be funded or refunded is in issue, additional evidence relating to the validity of such indebtedness may be presented.

(6) An appeal may be taken from the circuit court to the Court of Appeals in the manner provided in the Rules of Civil Procedure. The appeal may be advanced for immedaite hearing and submission.

(7) In case no appeal is taken from the approval of a bond issue by the State Local Finance Officer or the commission as provided in this section, said decision as to the legality of such bonds shall be res adjudicata in any subsequent case or cases raising such question of legality. When bonds are approved as provided in this section, they shall not be required to be approved as provided in KRS 66.210 and 66.220.

(8) Record of the approval of bonds as provided in this section shall be made ii the minutes of the next meeting of the fiscal court of the county issuing the bonds so approved, and copies of all decisions of the State Local Finance Officer and of the commission shall be filed with the Secretary of State.

HB 227, AN ACT relating to revenue and taxation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

KRS 136.072 is amended to read as follows:

(1) If the capital stock of a corporation is listed with recognized exchanges and sold in such quantities and under such conditions, as to permit determination of a monthly value, the monthly high and low sales prices of the stock during the taxable year are to be averaged to obtain a yearly average which shall be applied to the total number of shares outstanding. The resulting figure will constitute the value of the capital stock of such corporation.

(2) If the market value of the capital stock cannot be determined pursuant to subsection (1) of this section, the annual income over a period of five years, if possible, or if not, the years available, shall be weighted and averaged, giving greater weight to the more recent years. The resulting average income shall be capitalized at ten per cent and the result averaged with the net worth of the company. Net worth shall *be determined by subtracting all liabilities from net assets.* [include long-term indebtedness, advances by affiliated companies, inter-company accounts, capital stock, surplus, or any other items representing additional capital used and employed in the business.] The figure obtained therefrom will constitute the value of the capital stock of such corporation. Provided, however, that the value as determined herein shall not be less than the net worth of the company reduced by a percentage determined as follows:

(a) When the book value of fixed assets is less than ten per cent of total assets, the percentage reduction shall be five per cent;

(b) When the book value of fixed assets is at least ten per cent but less than thirty per cent of total assets, the percentage reduction shall be ten per cent;

(c) When the book value of fixed assets is at least thirty per cent but less than fifty per cent of total assets, the percentage reduction shall be fifteen per cent;

(d) When the book value of fixed assets is fifty per cent or more of total assets, the percentage of reduction shall be twenty per cent.

(3) In the event that the method for determining the value of capital stock prescribed in this section, as applied in the particular case, reaches an unconstitutional result, or the department determines that said method, as applied in a particular case, results in a value which does not substantially reflect the fair value of the stock, the department shall prescribe a method to obtain a more accurate valuation.

Announcement

Senator Gardner, Chairman, announced a meeting of the Rules Committee for 10:00 A.M., Wednesday, March 18, in Room 327.

Senator Gardner moved that the Senate adjourn until 1:30 P.M., Wednesday, March 18. Agreed.

WEDNESDAY, MARCH 18, 1964

FIFTY-EIGHTH LEGISLATIVE DAY

The Senate was called to order by the President.

Prayer by the Reverend John Hunt of the South Frankfort Presbyterian Church of Frankfort.

The roll was called. All present except Senator Billington, who was granted leave of absence on motion of Senator McCann.

Reading of the Journal for March 17 dispensed with and the same approved on motion of Senator McCann.

Recess

Senator Duffy moved to recess for thirty minutes for the purpose of having a Democratic caucus. Said motion seconded by Senator McCann. Agreed.

Senator Van Hoose requested the Republicans to caucus at the same time.

At the appointed hour the President resumed the chair and called the Senate to order.

Introduction of Resolutions

SR 55, by Senator Ware: A RESOLUTION honoring and commending Bob Brizendine for his outstanding representation of the youth of Kentucky.

WHEREAS, Bob Brizendine is that rare combination of scholar and athlete, having brought great distinction to himself and the Franklin-Simpson High School by his selection as Captain of the Honors Basketball Team of the Fifth Region; and,

WHEREAS, this outstanding young man has maintained a scholastic average of 3.975 while achieving a 22.9 points-per-game average on the basketball court, and was selected a member of the all-tournament teams of both the Seventeenth District and the Fifth Region;

NOW, THEREFORE,

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky:

Section 1. That due recognition be taken of the achievements of Bob Brizendine, and that he be commended and congratulated for his outstanding representation of the youth of Kentucky.

Section 2. That the Clerk of the Senate be directed to send a copy of this resolution to Bob Brizendine.

Senator Ware moved the adoption of **SR 55.** Agreed.

SR 56, by Senator Billington: A CONCURRENT RESOLUTION relating to local school superintendents.

WHEREAS, the school superintendents of the Commonwealth of Kentucky have played a significant role in the development of an efficient system of common schools; and

WHEREAS, they have dedicated their time, talents and abilities to improve public understanding and to build a broader support for educational opportunities for our children and youth; and

WHEREAS, because of their untiring efforts and endeavors in the area of public education, where once there was darkness there is now light, and where once there was weakness there is now strength; and

WHEREAS, the superintendents through their professional association have strengthened the qualifications of its membership and have deepened their commitment to public education;

NOW, THEREFORE,

Be it resolved by the Senate of the Commonwealth of Kentucky, the House of Representatives concurring therein:

That the 1964-65 school year be designated as the American Association of School Administrators' Centennial Celebration Year in tribute and respect to the one hundredth year of service by school superintendents.

Senator Layne moved the adoption of **SR 56.** Agreed.

Communication

The Clerk read the following communication from Commissioner Henry Ward, Department of Highways.

March 18, 1964

Honorable Harry Lee Waterfield
Lieutenant Governor
Presiding Officer, Kentucky State Senate
Frankfort, Kentucky

Subject: Communication to Senate

Dear Governor Waterfield:

I am addressing this letter to you as presiding officer of the Kentucky State Senate, with the request that you ask that it be read to the Senate members as a communication to the Senate.

Yesterday on the floor of the Senate, Senator Buckman charged that I had installed a private elevator to my office on the tenth floor of the State Office Building. The Senate is entitled to know that this charge is not true. If Senator Buckman had asked me about the matter, or sought information during numerous times that he has been to my office or talked with me, he would have found it easy to get the truth.

When the State Office Building was erected shortly after the flood of 1937, a service elevator was installed from the basement to the twelfth floor. The building engineer suggested last summer that a door could be cut easily from my office to connect with this elevator, since the shaft was just opposite a wall of the office. I agreed because it would be convenient to me in carrying out the duties of my office to have a direct connection with other floors occupied by the Department of Highways and with the basement, where the cafeteria is located.

The Department of Finance advertised for a contract for this work, and the contract was awarded last August. It was done openly, without any thought or desire of secrecy.

A door also was cut from the elevator shaft to provide entry to the Department's conference room and the Office of Contract Controls on the ninth floor, immediately below my office. I have frequent needs to go from my office to the Conference Room and Contract Control Offices, due to the legal requirements that the Commissioner act on any contracts of the Department. Numerous conferences are held with Department personnel and others regarding business of the Department.

Senator Donald Johnson and Representative Don Ball came to my office last week to inquire about this work. That was perfectly proper, and I gave them the complete file covering the matter, including the original requisition and contract. I took them on the elevator, and clearly demonstrated that it is a service elevator, with access to several floors, especially the eighth, where the data processing center is located. The elevator is used extensively for service to this center.

In the course of my conversation with Senator Johnson and Representative Ball, I told them that occasionally I have found it convenient to use the elevator to drop down to the basement cafeteria to grab a bite at lunch, and thereby avoid a reception room crowded with job seekers. I think members of the Senate would not deny me a few minutes to eat some lunch.

I will stand on my record established over a long period of years of seeing people and acting to protect their interests. I am interested in my job, and work hard at it. My average working day is from 8 A.M. to 7 P.M. I usually attend to state business on both Saturdays and Sundays. My job is my hobby.

I am not complaining, because I like what I am doing. I also am not claiming that I do not make mistakes. I do. I'm just human, and humans are not perfect.

I repeat the invitation I made at the beginning of this session to each member of the Senate to come to my office, ask me to see an individual personally, come before a committee of the Senate or the Senate as a whole.

I extend this invitation to include a ride on this elevator, although I must warn you that it is as slow as the proverbial train through Arkansas.

Yours very truly,
Henry Ward
Commissioner

Senator Turner moved that Commissioner of Highways, Henry Ward, be invited to explain his side of the controversy. Said motion was seconded by Senator Donald Johnson.

Senator Van Hoose moved, seconded by Senator Howard, to table Senator Turner's motion to invite Commissioner Ward to address the Senate regarding the elevator controversy. Senators Van Hoose and Howard requested a roll call on said motion.

On the roll call the vote was yeas 4—Buckman, Gardner, Swope, Van Hoose. Nays 19—Bonn, Brand, Brizendine, Duncan, Edwards, Engle, Garrett, Gay, Howard, D. Johnson, F. Johnson, Kinkead, Kiser, Mann, McCann, Mobley, Palmer, Raybourne, Turner.

The motion to table the motion to invite Commissioner Ward to appear before the Senate was rejected.

Senator Brizendine moved, seconded by Senator Howard, to amend Senator Turner's motion and that Commissioner Ward be invited to attend a public hearing at 10:00 A.M., Thursday, March 19, for the purpose of explaining his side of the subject. Agreed.

Recess

Senator Gardner moved that the Senate recess until 4:00 P.M., for the purpose of having a meeting of the Rules Committee. Agreed.

At the appointed hour the President resumed the chair and called the Senate to order.

Orders of the Day

Senator Fuqua moved that **SB 254** be passed and that it retain its place in Orders of the Day. Agreed.

SB 260 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Blue moved the Previous Question on **SB 260.** Agreed.

On the roll call the vote was yeas 27—Blue, Bonn, Brizendine, Buckman, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, Howard, F. Johnson, Kelly, Kidwell, Kiser, Layne, McCann, McGinty, Miller, Newberry, Nichols, Palmer, Raybourne, Spence, Turner, Van Hoose, Ware. Nays 0.

SB 260 was passed and the title agreed to.

Senator Blue moved that the vote by which **SB 260** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 125 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator McGinty moved the Previous Question on **SB 125.** Agreed.

On the roll call the vote was yeas 31—Blue, Bonn, Brand, Brizendine, Buckman, Duncan, Edwards, Engle, Fuqua, Gardner, Garrett, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Miller, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

SB 125 was passed and the title agreed to.

Senator McGinty moved that the vote by which **SB 125** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 126 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator McGinty moved the Previous Question on **SB 126.** Agreed.

On the roll call the vote was yeas 31—Blue, Bonn, Brand, Brizendine, Duncan, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Miller, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

SB 126 was passed and the title agreed to.

HB 3 taken from Orders of the Day, with the Committee Amendments attached thereto, and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the adoption of the Committee Amendment #1 to **HB 3**. Agreed.

Senator Gardner moved the adoption of the Committee Amendment #2 to **HB 3**. Agreed.

Senator Gardner moved the Previous Question on **HB 3**, as amended. Agreed.

On the roll call the vote was yeas 32—Blue, Bonn, Brand, Brizendine, Buckman, Duffy, Duncan, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, D. Johnson, F. Johnson, Kidwell, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

HB 3, as amended, was passed and the title agreed to.

House Message

Announcing passage of **HB 424, HB 425, HB 406, HB 431, HB 480, HB 491, HR 129, HR 118, HR 113, SR 44, SB 9, SB 10, SB 21, SB 27, SB 33**, with amendment, **SB 47, SB 58, SB 92, SB 106, SB 119, SB 136, SB 137, SB 138, SB 142, SB 163, SB 168**, with amendment, **SB 175, SB 176, SB 196, SB 197, SB 204, SB 213.**

HB 350 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the Previous Question on **HB 350.** Agreed.

On the roll call the vote was yeas 28—Bonn, Brizendine, Buckman, Duffy, Fuqua, Gardner, Garrett, Gay, D. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

HB 350 was passed and the title agreed to.

HB 279 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the Previous Question on **HB 279.** Agreed.

On the roll call the vote was yeas 30—Blue, Bonn, Brand, Brizendine, Buckman, Duffy, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, D. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Van Hoose, Ware. Nays 0.

HB 279 was passed and the title agreed to.

Senator Gardner moved that the vote by which **HB 279** was passed be reconsidered and that said motion be laid on the table. Agreed.

HB 231 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 231.** Agreed.

On the roll call the vote was yeas 30—Blue, Bonn, Brand, Brizendine, Buckman, Duffy, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, D. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Van Hoose, Ware. Nays 0.

HB 231 was passed and the title agreed to.

Senator Ware moved that the vote by which **HB 231** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 33 taken from the Clerk's desk for concurrence in the House Amendments thereto.

Senator Kelly moved to concur in the House Amendment #1 to **SB 33.** Agreed.

Said House Amendment #1 to **SB 33** is as follows:

Amend the printed copy of Senate Bill 33, on page 1, line 5, by: inserting after the word "mandatory." the following words: "Upon petition of 75% or more firemen and policemen of a third class city, the city shall adopt an ordinance creating a pension fund for firemen and policemen pursuant to this Act in lieu of the fund established in KRS 95.520 to 95.620. In the event a third class city does adopt such an ordinance, all provisions herein are mandatory.

Senator Kelly moved to concur in the House Amendment #2 to **SB 33.** Agreed.

Said House Amendment #2 to **SB 33** is as follows:

And on page 5, deleting lines 14-16 in their entirety and inserting in lieu thereof the following words: "(a) The proceeds of an annual tax, which may be levied by the city legislative body, of not less than one cent nor more than four cents on each one hundred dollars in value of taxable property, provided that said tax levy shall be at a rate not less than necessary to equal 3% of the salaries of the policemen and firemen covered under the provisions of this Act."

On the roll call the vote was yeas 34—Blue, Bonn, Brand, Brizendine, Cobb, Derickson, Duffy, Duncan, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

SB 33 was passed and the title agreed to.

SB 175 taken from the Clerk's desk for concurrence in the House Amendment thereto.

Senator Kelly moved to concur in the House Amendment #1 to **SB 175.** Agreed.

Said House Amendment #1 to **SB 175** is as follows:

Amend the printed copy of Senate Bill 175, on page 1, line 8, by:

deleting the figure "$4200.00" and inserting in lieu thereof the figure "$2400.00"

On the roll call the vote was yeas 30—Blue, Bonn, Brand, Duffy, Duncan, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McCann, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Van Hoose, Ware. Nays 0.

SB 175 was passed and the title agreed to.

SB 84 taken from the Clerk's desk for concurrence in the House Amendments thereto.

Senator Garrett moved to concur in House Amendment #1 to **SB 84.** Agreed.

Said House Amendment #1 to **SB 84** is as follows:

On page 1, Preamble, by:

"And WHEREAS, the same conditions apply to the Circuit Clerks, County Judges, Sheriffs, and Jailer,"

And on page 1, line 1, by inserting after "county Court clerk" the following:

"circuit clerk, county judge, sheriff, and jailer of each county"

And on page 2, line 6, by striking the figure "$7,200" and inserting in lieu thereof the figure "$9,600"

And on page 3, line 18, by striking the words "county clerk" and adding

"officers named in Section 1 of this Act."

And on page 4, line 1, by striking the word "county" and adding the words in lieu thereof

"officers named in Section 1 of this Act."

And on Page 4, line 2, by striking the word "clerk."

Senator Garrett moved to concur in the House Amendment #2 to **SB 84.** Agreed.

Said House Amendment #2 to **SB 84** is as follows:

On page 1, Title, by:

Amending the Title to change the period after the word "clerks" to a comma and adding thereafter "and certain other county officials, or officials elected on a county-wide basis."

On the roll call the vote was yeas 35—Blue, Bonn, Brand, Brizendine, Cobb, Derickson, Duffy, Duncan, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

SB 84 was passed and the title agreed to.

The President vacated the chair, Senator Cobb presiding.

Report of Committee

Committee on Rules reported **HB 358, HB 470, HB 493, HB 497, HB 507, HB 508, HB 494, HB 484, HB 472, HB 504, HB 386, HB 150, HB 286, HB 211, HB 469,** with Committee Amendment, **HB 411, HB 452, HB 346, HB 78,** with Committee Amendment, **HB 410, HB 330, HB 82, HB 73, HB 313,** with Committee Amendment, **HB 372** with the expressoin of opinion that same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 358, AN ACT relating to policemen and firemen.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 95.440 of the Kentucky Revised Statutes is amended to read as follows:

(1) The city legislative body in cities of the third class may, require all applicants for appointments as members of the police or fire departments to be examined as to their qualifications for office, including their knowledge of the English language and the law and rules governing the duties of the position applied for.

(2) Each member of the police or fire department in cities of the third class shall be a qualified voter of *the county in which*

the city is located, [the city] able to read, write and understand the English language, and have such other qualifications as may be prescribed. No person shall be appointed a member of the police or fire department unless he is a man of sobriety and integrity, and is and has been an orderly, law-abiding citizen. In a city of the second class no person shall be appointed a member of either of such departments if he is over fifty years of age.

(3) Members of the police and fire departments in cities of the third class qualified under this section shall hold their positions during good behavior, except that the city legislative body may decrease the number of policemen or firemen as it may deem proper.

HB 470, AN ACT relating to the appointment of Judges Pro Tem of Police Courts in cities of the third class.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 26.250 of the Kentucky Revised Statutes is amended to read as follows:

The judge of the police court shall appoint a standing judge pro-tem who shall serve, at the will of the regular judge, in the absence or disability of the regular judge. The judge pro-tem shall exercise the same powers, perform the same duties, receive the same compensation prorata, and have the same qualifications as the regular judge. The compensation of the pro-tem judge shall not be deducted from the salary of the regular judge.

HB 493, AN ACT relating to public utilities.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 278.010 of the Kentucky Revised Statutes is hereby amended to read as follows:

As used in KRS 278.010 to 278.450, and in KRS 278.990, unless the context otherwise requires:

(1) "Corporation" includes private, quasi public and public corporations, associations, joint-stock companies and business trusts;

(2) "Person" includes natural persons, partnerships, corporations, and two or more persons having a joint or common interest;

(3) "Utility" means any person except [a water district created under KRS Chapter 74 which does not operate a gas system, or] a city, who owns, controls, or operates or manages any facility used or to be used for or in connection with:

(a) The generation, production, transmission or distribution of electricity to or for the public, for compensation, for lights, heat, power or other uses;

(b) The production, manufacture, storage, distribution, sale or furnishing of natural or manufactured gas, or a mixture of same, to or for the public, for compensation, for light, heat, power or other uses;

(c) The transporting or conveying of gas, crude oil or other fluid substance by pipe line to or for the public, for compensation;

(d) The diverting, developing, pumping, impounding, distributing or furnishing of water to or for the public, for compensation; *or*

(e) The transmission or conveyance over wire, in the air or otherwise, of any message by telephone or telegraph for the public, for compensation[; or].

[(f) The transportation of persons or property by street, suburban or interurban railway for the public, for compensation;]

(4) "Facility" includes all property, means and instrumentalities owned, operated, leased, licensed, used, furnished or supplied for, by, or in connection with the business of any utility;

(5) "Rate" means any individual or joint fare, toll, charge, rental or other compensation for service rendered or to be rendered by any utility, and any rule, regulation, practice, act, requirement or privilege in any way relating to such fare, toll, charge, rental or other compensation, and any schedule or tariff or part of a schedule or tariff thereof;

(6) "Service" includes any practice or requirement in any way relating to the service of any utility, including the voltage of electricity, the heat units and pressure of gas, the purity, pressure and quantity of water, and in general the quality, quantity and pressure of any commodity or product used or to be used for or in connection with the business of any utility;

(7) "Commission" means the Public Service Commission of Kentucky.

(8) "Commissioner" means one of the members of the commission.

Section 2. A new section of Chapter 278 of the Kentucky Revised Statutes is hereby enacted to read as follows:

Notwithstanding any of the provisions of Chapter 74 of the Kentucky Revised Statutes, any water district, combined water, gas or sewer district, or water commission shall be a public utility and shall be subject to the jurisdiction of the Public Service Commission in the same manner and to the same extent as any other utility as defined in KRS 278.010.

Section 3. Section 278.130 of the Kentucky Revised Statutes is amended to read as follows:

(1) For the purpose of maintaining the Public Service Commission, including the payment of salaries and all other expenses, and the cost of regulation of the utilities subject to its jurisdiction, the commission shall each year assess the necessary amount upon the utilities in proportion to their gross earnings or receipts derived from intrastate business in Kentucky for the preceding calendar year, and shall notify each utility on or before May 31 of the amount assessed against it. The total amount so assessed shall not in any year exceed [$400,000] *$450,000* and the sum paid by each utility shall not be less than $5 in any one year.

(2) The assessments provided for in this section shall be in lieu of all other fees or assessments levied by any city or other political subdivision for the control or regulation of utilities.

HB 497, AN ACT relating to the merger of school districts.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. In any county containing a city of the first class, upon the filing of a duly certified petition of five hundred residents of a city of the first class and five hundred persons who are residents of the county but not of the city, with the clerk of the county court, the question of whether an independent school district in a city of the first class shall be merged with a county school district, shall be placed on the ballot to be voted on at the next regular election by the duly qualified voters of such city and county. The petititon shall be filed with the county clerk not less than fifty-five days before the day fixed by law for the next regular election.

Section 2. The petition shall be in the following form: "The undersigned do hereby declare that they are in favor of the merger of _____________ school district in the city of _____________, a city of the first class, with _____________ county school district."

Section 3. (1) The question on the ballot shall be in the following form: "Are you in favor of the merger of ___________ school district in the city of _____________, a city of the first class, with _______________ county school district?"

(2) If both a majority of the votes cast in the city and a majority of the votes cast in the county are in favor of the merger, the board of education of the independent school district shall within 60 days following the election initiate merger in accordance with KRS 160.041.

Section 4. This act applies only to the general election in the year 1964.

HB 507, AN ACT changing the classification of the City of Radcliff, in Hardin County, from fifth class to fourth class.

WHEREAS, satisfactory information has been presented to the General Assembly that the population of the City of Radcliff, in Hardin County, is such as to justify its being classified as a city of the fourth class.

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. The City of Radcliff, in Hardin County, is transferred from the fifth to the fourth class of cities.

HB 508, AN ACT relating to entertainment booking agents.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Definitions: For purposes of this Act,

(a) "Entertainment" means any and all types of musical and acting abilities, services and performances whether made, given, or done by a single person or by a group, consisting of two or more persons. Any person engaging in or giving such types of musical or acting performances shall be known as an entertainer, and shall include all singers, dancers, actors, actresses, and musical-instrument players, who perform for pay.

(b) "Booking agent" means any person, partnership or corporation located or residing in this Commonwealth or located or residing in any other state of the United States outside of this Commonwealth, who contracts for the services, including scheduling such services as to specific date, time, duration, and location, of any entertainer as defined in subsection (a).

(c) "Department" means the Department of Revenue.

Section 2. No person shall engage in the occupation of entertainment booking agent until he has paid to the Department of Revenue the fees prescribed in this section and obtained a license therefor. Before booking entertainment in this state, each person so engaged shall pay the following fees for the calendar year or fraction thereof:

(a) An annual license fee of thirty-five dollars shall accompany each application for a license or the renewal of a license, to be known as a booking agent's license.

(b) A performance bond for the amount of five thousand dollars shall accompany each license application and shall be posted with the Department of Revenue to insure the performance of entertainers whose services may be contracted for through such booking agent.

(c) Any person operating as a booking agent or performing such services in this state without first having paid the fee and obtained the license prescribed in this section shall be subject to a penalty of fifty percent of the amount of the license fee, in addition to the fee itself, and six percent interest until paid. Additionally, any person operating as an entertainment booking agent or performing such services in this state who willfully fails, neglects or refuses to make a report, or to pay the license fees as herein prescribed, or who shall refuse to permit the department to examine the books, papers and records of any promotion shall be guilty of a misdemeanor, and shall be fined not less than one hundred dollars nor more than one thousand dollars, or imprisoned for a term not to exceed six months, or both.

(d) Any booking agent shall pay to the adversely affected party an indemnity to be specified by contract for any entertainment not performed as specified by such contract. Failure of the booking agent to pay such indemnity within sixty days shall be cause for the Department of Revenue to declare as forfeit all or that portion of the performance bond necessary to make such indemnification.

HB 494, AN ACT relating to the powers of condemnation of corporations engaged in the business of treating sewerage and like wastes and controlling pollution of the waters of the Commonwealth.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Any corporation authorized to do business in this State and organinzed for the purpose of constructing, maintaining and operating sewer lines and sewage treatment facilities may, if it is unable to contract or agree with the owner after a good faith effort to do so, condemn rights of way necessary for constructing, maintaining and operating its pipe lines and, if necessary, pumping stations; and the necessary ingress and egress to examine, alter, repair and maintain such pipe lines. The condemnation proceedings shall be conducted in the manner provided in KRS 416.230 to 416.310.

Section 2. Provided, however, that before any corporation shall be authorized to use the provisions of section 1 of this act, it shall have presented plans and specifications to the Kentucky Water Pollution Control Commission and received from said Commission a permit to operate and maintain said sewage treatment facilities together with an approval of the discharge of the treated affluent from said facilities to a specific point of the waters of this Commonwealth.

Section 3. Provided further that any person wishing to object to a pipe line or plant location subject to the provisions of this act shall have the right to have his objections heard by said Commission pursuant to the provisions of KRS 220.640.

Section 4. Whereas, there are at the present time many proposed subdivision developments which will not proceed in the forthcoming building season without the powers contained in this act, thus adversely affecting the economy of the Commonwealth, an emergency is declared to exist and this act shall become effective upon its passage and approval by the Governor.

HB 484, AN ACT relating to insurance.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 67.180 of the Kentucky Revised Statutes is amended to read as follows:

(1) The fiscal court of each county containing a city of the second, fourth, fifth or sixth class may, in its discretion, for the protection of the public and its employes, appropriate county funds to purchase policies of insurance of all kinds deemed advisable, *including but not limited to policies* covering vehicles operated by the county, and compensation insurance covering employes of the county receiving injuries arising out of and in the course of employment.

(2) Suits instituted on such policies shall be maintained against the county only for the purpose of obtaining a judgment which when final shall measure the liability of the insurance carrier to the injured party for whose benefit the insurance policy was issued, but not to be enforced or collectible against the county or fiscal court, or the members thereof.

HB 472, AN ACT relating to assistant Commonwealth's attorneys.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

In counties containing a population of 40,000 or more persons but not containing a city of the second class, the Commonwealth's attorney may, if the fiscal court concurs therein, appoint an assistant Commonwealth's attorney having a term of four years subject to removal at any time by the Commonwealth's attorney. Such assistant Commonwealth's attorney may receive an annual salary, payable in equal monthly installments out of the county levy, the annual salary to be set by the fiscal court, within the limits and in accordance with KRS 64.530, at not less than $4,000.00 per year nor more than $6,000.00 per year.

HB 504, AN ACT relating to circuit courts of the Commonwealth of Kentucky.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. That in all counties of the State having a town not larger than the fourth class, and containing a population larger than that of the county seat town, according to the last federal enumeration and situated over seventeen miles from the county seat town, the Circuit Court for each of said counties shall be held alternately so as to divide the time between the county seat town and the larger town as the business of the court may require, the first part of such term as now provided by law to be held at the county seat.

Section 2. All civil cases arising in such counties shall be tried in the county seat town or the larger town nearest to which the defendant, first named in the Complaint, resides.

Section 3. All criminal cases arising in such counties shall be tried in the county seat town or the larger town nearest to which the offense was alleged to have been committed.

Section 4. Provided that the expense of furnishing a court room and jail at such larger town shall be borne by the larger town, as well as the expenses of securing a vault and depository for books and papers pertaining to the records of the Circuit Court of such county, and any other expenses pertaining to the moving of records and holding of said court at the larger town without additional expense to the county.

HB 386, AN ACT relating to juvenile courts.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 208.340 of the Kentucky Revised Statutes is amended to read as follows:

(1) No probation officer shall, without the consent of the county judge, divulge or communicate to any person other than the court, a member of the advisory board of the court, or a representative of the department, any information obtained pursuant to the discharge of his duties, nor shall any record of the actions of the probation officer be made public except by leave of the county judge: Provided, that nothing in this subsection shall prohibit the probation officer from divulging or communicating such information to the court, to his

colleagues or superiors in his own department, to another probation officer having a direct interest in the record or social history of the child, or to a representative of any public or private social agency, institution, hospital or church having a direct interest in the record or social history of the child.

(2) All police records regarding children who have not reached their eighteenth birthday shall by proper administrative police authority be opened to scrutiny by the public. Such police records shall always be made available to the family, guardian or legal representative of the child involved. Such records shall also be made available to the court, probation officers, representatives of the department, or to a representative of any public or private social agency, institution, hospital or church having a direct interest in the record or social history of the child.

(3) This section shall relieve the probation officer [or police officer] from divulging such facts as a witness on the trial of any case, or the hearing of any proceedings, or the production of such records for use in such trial or proceedings; except that the facts may be divulged or the records produced where the case on trial is an appeal from the juvenile court's order, or a case transferred to circuit court from juvenile court pursuant to KRS 208.170, and the facts or records relate directly to the child's participation in the offense with which he is charged, if any.

HB 150, AN ACT relating to Housing Projects.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 80.010 is amended to read:

As used in this chapter, unless the context otherwise requires:

(1) "Housing project" means a building or buildings containing rooms to be provided as living quarters, together with shops, stores, garages, laundries, doctors' and dentists' offices and other facilities and appurtenances deemed reasonably necessary by the housing commission to the successful and economical operation of the project. It also means any work or undertaking of a housing commission or of the Federal Government to:

(a) Demolish, clear or remove a building or buildings from any slum area, including the adaptation of such area to recreational, community or other public purposes;

(b) Provide decent, safe and sanitary living accommodations for persons who lack the amount of income that is necessary, as determined by the commission undertaking the project, to enable them, without financial assistance, to obtain such accommodations; such work or undertaking may include buildings, land equipment, facilities and other real or personal property for necessary, convenient or desirable appurtenances, streets, sewers, water service, parks, site preparation, gardening, administrative, community, health, recreational, welfare or other purposes;

(c) Accomplish a combination of the foregoing.

(2) "Housing commission" or "commission" means any housing commission created pursuant to this chapter.

(3) "Public body" means any city, village, county, commission, district, authority or other public body or political subdivision of the Commonwealth.

(4) "Federal Government" includes the United States of America, the United States Housing Authority *and its successor agencies,* and any other agency or instrumentality of the United States of America.

(5) "Bonds" means any bonds, notes, interim certificates, debentures or other obligations.

Section 2. KRS 80.255 is repealed and reenacted to read:

The creation and establishment of housing commissions pursuant to the provisions of the Housing Commission Act (KRS Chapter 80) together with all proceedings, acts and things heretofore undertaken, performed or done with reference thereto, are hereby validated, ratified, confirmed, approved and declared legal in all respects notwithstanding any defect or irregularity therein or any want of statutory authority.

Section 3. KRS 80.256 is amended to read:

All contracts, agreements, obligations and undertakings of [municipal] housing commissions heretofore entered into relating to financing or aiding in the development, construction, maintenance or operation of any housing project or projects or to obtaining aid therefor from the United States Housing Authority *and its successor agencies,* including (without limiting the foregoing) *loan and* annual contributions contracts and leases with the United States Housing Authority *and its successor agencies,* agreements with cities, counties or other public bodies (including agreements which are pledged or authorized to be pledged for the protection of the holders of any notes or bonds issued by [municipal] housing commissions or which are otherwise made a part of the contract with such holders of notes or bonds) relating to cooperation and contributions in aid of housing projects, payments (if any) in lieu of taxes, furnishing of municipal services and facilities, and the elimination of unsafe and unsanitary dwellings, and contracts for the construction of housing projects, together with all proceedings, acts and things heretofore undertaken, performed or done with reference thereto, are hereby validated, ratified, confirmed, approved and declared legal in all respects notwithstanding any defect or irregularity therein or any want of statutory authority.

Section 4. KRS 80.257 is amended to read:

All proceedings, acts and things heretofore undertaken, performed or done in or for the authorization, issuance, execution and delivery of notes and bonds by [municipal] housing commissions for the purpose of financing or aiding in the development or construction of a housing project or projects and all notes and bonds heretofore issued by [municipal] housing commissions are hereby validated, ratified, confirmed, approved and declared legal in all respects, notwithstanding any defect or irregularity therein or any want of statutory authority.

Section 5. KRS 80.310 is amended to read:

(1) As used in KRS 80.310 to 80.610, unless the context requires otherwise:

(a) "Bonds" means any bonds, notes, interim certificates, debentures, and other obligations issued by the commission pursuant to KRS 80.310 to 80.610.

(b) "Clerk" means the clerk of the city or the clerk of the county, as the case may be, or the officer charged with the duties customarily imposed on such clerk.

(c) "Commission" or "Housing commission" means any of the public corporations created pursuant to KRS 80.310 to 80.610.

(d) "Federal Government" includes the United States of America, the United States Housing Authority *and its successor agencies,* or any other agency or instrumentality, corporate or otherwise, of the United States of America.

(e) "Governing body" means, in the case of a city, the city council, the commission, the board of trustees or other legislative body of the city; and in the case of a county, the fiscal court.

(f) "Housing project" means any work or undertaking: To demolish, clear or remove buildings from any slum area; such work or undertaking may embrace the adaptation of such area to public purposes, including parks or other recreational or community purposes; or to provide decent, safe and sanitary urban or rural dwellings, apartments or other living accommodations for persons of low income; such work or undertaking may include buildings, land, equipment, facilities and other real or personal property for necessary, convenient or desirable appurtenances, streets, sewers, water service, parks, site preparation, gardening, administrative, community, health, recreational, welfare or other purposes; or to accomplish a combination of the foregoing. The term "Housing project" may also be applied to the planning of the buildings and improvements, the acquisition of property, the demolition of existing structures, the construction, reconstruction, alteration and repair of the improvements and all other work in connection therewith.

(g) "Mayor" means the mayor of the city or the officer thereof charged with the duties cutomarily imposed on the mayor or executive head of the city.

(h) "Obligee of the commission" or "obligee" shall include any bondholder, trustee or trustees for any bondholders, or lessor demising to the commission property used in connection with a housing project, or any assignee or assignees of such lessor's interest or any part thereof, and the Federal Government when it is a party to any contract with the commission.

(i) "Persons of low income" means persons or families who lack the amount of income which is necessary (as determined by the housing commission undertaking the housing project) to enable them, without financial assistance, to live in decent, safe and sanitary dwellings, without overcrowding.

(j) "Real property" includes all lands, including improvements and fixtures thereon, and property of any nature appurtenant thereto, or used in connection therewith, and every estate, interest and right, legal or equitable, therein, including terms for years and liens by way of judgment, mortgage or otherwise and the indebtedness secured by such liens.

(k) "Slum" means any area where dwellings predominate which, by reason of dilapidation, overcrowding, lack of ventilation, light or sanitary facilities, or any combination of these factors, are detrimental to safety, health and morals.

(2) The powers contained in KRS 80.310 to 80.610 shall be in addition and supplemental to the powers contained in any other Act.

HB 286, AN ACT relating to employes of sanitation districts.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. (1) The board of directors of any sanitation district is authorized to form their employes into a group, or groups, for the purpose of obtaining the advantages of the group plan of life insurance.

(2) The premiums may be paid by the policy holder wholly from funds contributed by the insured employe, by payroll deduction or otherwise; or partly from each. No payment of premiums by the sanitation district shall constitute compensation to an insured employe for the purposes of any statute fixing or limiting the compensation of such an employe. Any premium or other expense incurred

by the sanitation district shall be considered a proper cost of administration.

(3) The policy may also provide accidental death and dismemberment insurance and may contain such provisions with respect to the call or classes of employes covered, amounts or insurance for designated classes or groups of employes, terms of eligibility, continuation of insurance after retirement, and such other provisions as the board of directors may approve.

(4) The board of directors is authorized to perform all acts necessary or advisable for the purposes of contracting for and maintaining insurance under the provisions hereof.

HB 211, AN ACT relating to the creation of water districts.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

KRS 74.010 is amended to read:

(1) Any county court, upon petition of *fifty* [seventy-five] resident freeholders of the proposed district, may establish a water district and appoint water commissioners for the purpose of furnishing a water supply to the citizens of the county. The petition shall describe the territory intended to be included in the district, and shall set out the reasons a water district is needed.

(2) When the petition is filed the court shall give notice of the filing by publication in three issues in a newspaper of general circulation in the county, or if there is no newspaper in the county, by posting notices in three public places in the proposed district. Within thirty days after the publication or notice, any resident of the proposed district may file objections, and the court shall set the case for hearing within ten days. If the court finds that the establishment of such district is reasonably necessary for the public health, convenience, fire protection, and comfort of the residents, it shall make an order establishing the district, and designating it by name or number.

(3) The court may in this order strike off any part of the territory that the testimony shows will not be benefited by the creation of the district. If the court does not find that the district is necessary, it shall dismiss the petition. Either party may thereupon appeal to the circuit court for a retrial, and from the circuit court to the Court of Appeals as provided by law.

HB 469, AN ACT relating to the replevy of judgment or fine.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 426.450 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any person against whom a judgment for money is rendered, except as provided in KRS 426.470, may, if an execution thereon has not been placed in the hands of a collecting officer, replevy the judgment for three months before the circuit court clerk or the judge of the inferior court entering the judgment by giving bond with good surety to be approved by the officer.

(2) Any person against whom a judgment imposing a fine has been entered, or any person confined in jail for the nonpayment of a fine, may replevy the fine for three months before the circuit court clerk or the judge of the inferior court entering the judgment, by giving bond with good surety to be approved by the officer taking the bond. If said bond is not paid at maturity the Court in which the judgment imposing the fine was entered shall have the option of issuing a capias pro fine against the principal or by execution on the replevin bond against the surety for satisfaction of the bond, interest and costs, or any part thereof remaining unpaid.

(3) The bond, varied to suit the particular case, may be in substance as follows: "This day the defendant AB, together with CD, his surety, come before the Clerk of the ____________ Court, or before the presiding quarterly, city or police judge, or justice of the peace of ____________ County, and undertake that we will satisfy and pay EF, or the Commonwealth of Kentucky, the judgment, including interest, if any, and costs amounting to $________, rendered against the said AB, by this Court, within three months, with legal interest on the whole amount thereof from this date."

Said Committee Amendment to **HB 469** is as follows:

Amend printed copy of House Bill 469 on pages 1 & 2, by:
striking subsection 2 and subsection 3 in their entirety and inserting in lieu thereof the following:

"*(2) Any person against whom a judgment imposing a fine has been entered,* or [if] any person confined in jail for the nonpayment of a fine, may replevy the fine for three months before the circuit court clerk or *the judge of the inferior court entering the judgment, by giving bond with good surety to be approved by the officer taking the bond. If said bond is not paid at maturity the Court in which the judgment imposing the fine was entered shall have the option of issuing a capias pro fine against the principal or by execution on the replevin bond against the surety for satisfaction of the bond, interest and costs, or any part thereof remaining unpaid.*

(3) [(2)] The bond, varied to suit the particular case, may be in substance as follows: "This day the defendant AB, together with CD, his surety, come before the Clerk of the ____________ Court,

or before the presiding quarterly, city or police judge, or justice of the peace of ____________ County, and undertake that [this] *we* will satisfy and pay EF, *or the Commonwealth of Kentucky, the* [his] judgment, including interest, if any, and costs amounting to $______, rendered against the said AB, by this Court, within three months, with legal interest on the whole amount thereof from this date."

HB 411, AN ACT relating to payment of fees to local registrars, physicians and midwives for reporting and registering vital statistics.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 213.150 of the Kentucky Revised Statutes is amended to read as follows:

(1) [Each physician or midwife shall be entitled to receive the sum of twenty-five cents for each certificate of birth or death properly and correctly filled out, signed and reported.] Each local registrar in a county having no county health department shall be entitled to receive the sum of fifty cents for each [such] *birth or death* certificate registered with him and correctly copied and duly returned to the Division of Vital Statistics. In case no births or deaths are registered during any month, the local registrar in the county having no health department shall be entitled to receive the sum of fifty cents for each report to that effect promptly made in accorodance with this chapter.

(2) All amounts payable to local registrars [, physicians and midwives] under this section, shall be paid by the treasurer of the county in which the registration district is located upon certification by the Division of Vital Statistics.

[(3) The Division of Vital Statistics shall certify, at least annually to the treasurers of the several counties, the number of births and deaths registered together with the names of the local registrars, physicians and midwives entitled to fee prescribed by this section, and the amount due each at the rate fixed herein.]

(4) No local registrar, physician, midwife, sexton or undertaker shall charge or collect from any member of a family in which a birth or death occurs, any fee for complying with the provisions of this chapter.

HB 452, AN ACT relating to the placement of children for adoption.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 199.470 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any adult person who is a resident of this state or who has resided in this state for twelve months next before filing, may file a petititon for leave to adopt a child in the circuit court of the county in which the petitioner resides.

(2) If petitioner is married, the husband or wife must join in a petition for leave to adopt a child unless the petitioner is married to a natural parent of the child to be adopted, except that if the court finds that the requirement of a joint petition would serve to deny the child a suitable home, such requirement may be waived.

(3) No petition for the adoption of any child under the age of sixteen shall be filed until after the child has lived continuously in the home of the petitioner for at least three months immediately prior to the filing of the petition.

(4) No petition for adoption shall be filed unless prior to the filing of the petition the child sought to be adopted has been placed for adoption by a licensed child-placing institution or agency or by the department, or the child has been placed with written approval of the commissioner; but no such approval shall be necessary in the case of:

(a) A child sought to be adopted by a stepparent, grandparent, sister, brother, aunt or uncle;

(b) A child received by the proposed adopting parent or parents from an agency without this state with the written consent of the commissioner.

(5) Subsection (4) of this section shall not apply to those children placed for adoption prior to June 14, 1962.

(6) All persons other than a licensed child-placing agency or institution, [and] the department or persons excepted by *KRS 199.470 (4) or 199.470 (5)* who wish to place or receive a child shall make written application to the commissioner for permission to place or receive a child. *Upon receipt of an application to place or receive a child the commissioner shall cause an investigation to be made of the home and the background of the person or persons wishing to receive the child. The purpose of the investigation shall be to determine the suitability of the applicants to receive a child, taking into account at all times the best interest of the child for whom application to receive has been made. The child welfare worker making the investigation shall make a finding in writing recommending either that the application be granted or that the application be denied. In either case reasons for the child welfare worker's recommendation shall be given in writing. The recommendation of the child welfare worker shall then be reviewed by the commissioner. Based on the re-*

port and recommendation of the child welfare worker making the investigation, the commissioner shall grant or refuse permission for the applicant to place or receive a child as early as practicable, but, in any case, the decision shall be made within 60 days after the receipt of the application. *In reaching his decision the commissioner shall be guided by the ability of the persons wishing to receive the child to give the child a suitable home, and shall at all times consider the best interest of the child from a financial, medical, psychological and psychiatric standpoint. If the application is refused the commissioner shall in general terms furnish in writing the reasons for his refusal.*

In any case where the department refuses to approve the placement of a child for adoption when requested by the parent or parents of the child, or refuses the reqeust of any person or persons that a child be placed with him or them for adoption, the decision of the *commissioner* [department] in so refusing shall be final unless within ten days after notice of refusal, the natural or proposed adopting parent or parents shall appeal to the circuit court of the county in which the adoption is proposed, provided however that no placement shall be disapproved on the basis of the religious, ethnic, or interfaith background of the adoptive applicant, if such placement is made with the consent of the parent. The department shall be made a party defendant to the appeal. *In the hearing of an appeal the court shall review the findings of the commissioner and shall determine if the commissioner has acted arbitrarily, unlawfully, or in such a manner as to constitute an abuse of discretion.*

(7) No person, association or organization, other than the department or a licensed child-placing institution or agency shall place a child or act as intermediary in the placement of a child for adoption or otherwise; except in the home of a stepparent, grandparent, sister, brother, aunt or uncle, or upon written approval of the commissioner. Nothing in this subsection shall be construed to limit the Department of Economic Security in carrying out its aid to dependent children program in accordance with KRS Chapter 205.

(8) In the event a child who does not fall within the exception provided for in KRS 199.470 (4) or KRS 199.470 (5) is placed or received in a home without the permission of the Commissioner of Child Welfare, or in the event permission to receive a child has been denied, a representative of the department may petition the juvenile court of the county in which the child is found setting out the facts concerning the child. When such petition has been filed, the juvenile court shall take jurisdiction of the child and shall provide for it as it would provide for a needy, neglected or dependent child under KRS 208.020 except that the child may not be placed in the home of the applicants to receive him unless permission to do so is granted

by the commissioner or such action is ordered by a circiut court or the Kentucky Court of Appeals.

(9) Nothing in this statute shall be construed to limit the authority of the department or a licensed child-placing institution or agency to determine the proper disposition of a child committed to it by the juvenile court or the circuit court, prior to the filing of an application to place or receive.

HB 346, AN ACT relating to hospitalization of mentally ill and mentally retarded persons.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 203.020 is amended to read:

(1) The staff of a state mental hospital *or of an institution for mentally defective persons* may admit for diagnosis, care and treatment any person who is mentally ill or has symptoms of mental illness, *or who is mentally retarded or has symptoms of mental retardation,* and who, being twenty-one years of age or over, applies therefor, and any person under twenty-one years of age who is mentally ill or has symptoms of mental illness, *or mental retardation,* if his parent or guardian applies therefor in his behalf. The application shall be signed by the applicant in the presence of two witnesses.

(2) The staff of a state mental hospital may discharge any voluntary patient who has recovered or whose hospitalization they determine to be no longer advisable. They may also discharge any voluntary patient if to do so would, in their judgment, contribute to the most effective use of the hospital in the care and treatment of the mentally ill [.] *or mentally defective.*

(3) A voluntary patient who requests his release or whose release is requested, in writing, by his guardian, parent, spouse or adult relative shall be released within five days from the receipt of such request, except as hereinafter provided in this section. If the patient was admitted on his own application and the request for release is made by a person other than the patient, release shall be conditioned upon the agreement of the patient thereto. If the patient, by reason of his age, was admitted on application of his parent or guardian, his release, prior to attaining the age of twenty-one years, shall be conditioned upon the consent of such parent or guardian.

(4) If the hospital staff believes that the patient is dangerous to himself or to others or would be benefited by further care and treatment in a hospital, it may, within five days after the receipt of the request for release, file in the proper court a certificate signed

by two staff physicians stating that the patient is mentally ill *or mentally defective* and recommending his commitment. The court shall follow the procedure it usually follows when such a certificate is filed. After such certificate is filed, the hospital may continue to hold the patient beyond the expiration of the five-day period referred to in this section until notified by the court that the hearing has been held and the person has been found to be mentally well.

Section 2. KRS 203.090 is amended to read:

The department may fix the rate to be paid for the support of a person by his committee or by relatives liable for such support, or by those not liable for such support, but willing to assume the cost thereof. Such rates shall be sufficient when possible to cover a proper proportion of the cost of *treatment and* maintenance and [of necessary repairs and improvements, and] the same rate shall be charged to all persons, *who receive the same kind of services.*

Section 3. KRS 210.280 is amended to read:

(1) Any person may be admitted to a state mental hospital *or institution for mentally defective persons* upon the written application of a relative, spouse, friend or guardian, or by a staff physician of a hospital in which the person may be, and upon the certification of two examining physicians that they have examined the person and are of the opinion that he is mentally ill *or mentally retarded;* that because of his illness he is in need of care and treatment in a mental hospital *or institution for mentally defectives;* and because of his illness lacks sufficient insight or capacity to make responsible application therefor. No person shall be admitted to a state mental hospital *or institution for mentally defectives* on the basis of such certification at any time after expiration of fifteen days from the date of the examination.

(2) If the certification of the examining physician states a belief that the person is likely to injure himself or others if allowed to remain at liberty and should immediately be restrained, and the certification is so endorsed by a health or police officer, a warrant may be issued for the arrest of such person and he may be taken into custody and transported to any municipal, county or state hospital as provided in KRS 203.030.

(3) Whenever a patient has been admitted to a hospital *or institution* pursuant to the provisions of this section on the application of any person other than the patient's guardian, spouse, or relative the hospital *or institution* shall immediately notify the patient's guardian, spouse or relative, if known.

(4) Any patient hospitalized under the provisions of this section who requests to be released or whose release is requested in writing

by his parent, spouse, relative or guardian shall be released within five days from the receipt of such request. The hospital *or institution* shall provide reasonable means and arrangements for informing patients hospitalized under the provisions of this section of their right to release and for assisting them in making and presenting requests for release.

(5) If two staff physicians believe that the patient is dangerous to himself or other persons, or would be benefited by further care and treatment in a hospital, they may within five days after the receipt of the request for release file a certificate in proper court stating that he is mentally ill *or mentally retarded* and recommending his commitment. The court shall follow the procedure that it usually follows when two staff physicians so certify. After such certificate is filed, the hospital may continue to hold the patient even beyond the expiration of the five-day period referred to in this section until officially notified by the court that an inquest has been held and the person has been found to be mentally well. No fee shall be charged for the certificate of the staff physicians, it being considered a part of the regular state service.

(6) Subject to the rules and regulations of the hospital, every patient admitted under the provisions of this section shall be entitled to communicate with any person or governmental agency, receive visitors, and exercise all the civil rights to which he was entitled prior to his hospitalization.

(7) Any person who willfully causes, or conspires with or assists another to cause the unwarranted hospitalization of any person under the provisions of this section shall be fined not less than one hundred dollars, or more than five hundred dollars or imprisoned not less than three nor more than twelve months, or both.

Section 4. A new section is enacted to read:

(1) If a person in need of immediate treatment and care because of mental illness or mental retardation is presented at a state hospital for the mentally ill or mentally retarded without the papers required for admittance under a procedure included in KRS Chapters 202, 203 or 210, the hospital may admit him for inpatient treatment and care for a period not exceeding 48 hours (excluding weekends and legal holidays) provided that at the time of admission a hospital staff physician or staff clinical psychologists certifies in writing that, as of that time

(a) the physician or psychologist is of the opinion that the person lacks the insight or capacity to apply for his own admission under KRS 203.020 and

(b) the physician or psychologist is of the opinion that the person is in need of immediate treatment and care because of mental illness or mental retardation.

(2) A patient who has been admitted to a hospital under subsection (a) must be released from the hospital at the end of the 48 hour period, or sooner if he so requests, unless before that time

(a) the hospital receives the papers required under a procedure included in KRS 203.020, in which case the provisions applicable under that procedure shall apply, or

(b) a hospital staff member files a petition in the appropriate court requesting that the patient be ordered to accept treatment and care, in which case he may be retained by the hospital until the proceeding is terminated by a judgment or order that requires his discharge.

HB 78, AN ACT relating to motor vehicle equipment.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. (1) No person shall knowingly operate on any highway any vehicle on which any tire has been regrooved or recut or offer such tire for sale or exchange.

(2) This subsection shall not apply to regrooved or recut commercial vehicle tires which are designed and constructed in such a manner that regrooving and recutting is an acceptable and safe practice nor does this subsection apply to regrooving and recutting done in a tire recapping process.

(3) No provision of this section shall apply or be construed to apply to any commercial vehicle operated under safety regulations or requirements of the Kentucky Department of Motor Transportation or of the Interstate Commerce Commission.

Section 1-A. Any person who violates any provision of this Act shall be fined not less than ten nor more than one hundred dollars.

Section 2. This Act shall become effective July 1, 1964.

Said Committee Amendment to **HB** 78 is as follows:

Amend printed copy of House Bill 78 on page 1, line 5, by: deleting the word "commercial"

HB 410, AN ACT relating to bad checks.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 434.070 is amended to read:

(1) Any person who with intent to defraud makes, draws, utters

or delivers any check, draft or order for the payment of money upon any bank or depository, knowing at the time of the making, drawing, uttering or delivery that the maker or drawer has not sufficient funds in or credit with the bank or other depository for the payment of the check, draft or order in full upon its presentation; or who, after having made, drawn, uttered or delivered any check, draft or other order for the payment of money upon any bank or other depository, withdraws or causes to be withdrawn the money or any part of the money to the credit of the maker of the draft, check or other order for the payment of money, without leaving with the bank or other depository a sum sufficient to cover the check, draft or other order for the payment of money, shall, if the amount of the check, draft or order is under twenty dollars, be fined not more than one hundred dollars, or imprisoned for not less than one nor more than ninety days, or both. If the amount of the check, draft or order is for twenty dollars or over, he shall be confined in the penitentiary for not less than one year nor more than two years.

(2) The making, drawing, uttering or delivering of a check, draft or order described in subsection (1) of this section shall be prima facie evidence of intent to defraud.

(3) Any person found guilty of violating the provisions of subsection (1) of this section shall be required to post bond with good and sufficient surety satisfactory to the court, in the amount of the check, draft or order to secure the repayment of said amount to the person holding and complaining of such worthless check, draft or money order.

HB 330, AN ACT relating to traffic regulations.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Any person who violates any provision of KRS Chapter 189 for which no penalty is otherwise provided shall, upon conviction, be fined not less than ten dollars nor more than one hundred dollars for each offense.

Section 2. Whereas, there are provisions in KRS Chapter 189 for which no penalty is provided, an emergency is declared to exist, and this Act becomes effective upon its passage and approval by the Governor.

HB 82, AN ACT relating to condemnation of property.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 56.060 is amended to read as follows:

All deeds and judgments conveying to or vesting in the State any land or interest in land shall be recorded in the office of the county clerk of the county where the land or the greater part of it lies, *and they shall contain a description by metes and bounds of such land.* The county clerk shall endorse on the deed the Deed Book and page number and county where he has recorded it, as follows: "Recorded in Deed Book ________, Page ________, ___________ County Court Clerk's Office." He shall then immediately transmit the deed and his certificate of record to the Secretary of State.

Section 2. The Department of Highways shall cause to be recorded in the office of the county clerk plats of all property condemned within the county. The plats shall contain, a map of the surrounding territory sufficient to identify the condemned land. The designation of the boundaries in the plat shall be by metes and bounds and the condemned land shall be identifiable from the descriptions contained in the deeds to the properties from which the land it taken.

HB 73, AN ACT relating to newspaper advertisement of execution and judicial sales.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 426.560 is amended to read:

In addition to the notices now required by statute to be posted, all public sales of any kind of property sold under execution, judgment or dercee, shall, unless otherwise agreed upon by the parties, be advertised in a newspaper of bona fide circulation published in the county of the sale *as provided in paragraph (c) of subsection (1) of KRS 424.130.* [at least once a week for three consecutive weeks next preceding the day of sale. In counties where there is a daily newspaper published or in general circulation, publication of the notice of sale for three consecutive days next preceding the day of sale shall be sufficient.] The advertisement shall state the time, place and terms of sale and describe the property to be sold. The newspaper advertisement shall not be necessary where the appraised value of the property to be sold is less than one hundred dollars.

HB 313, AN ACT relating to city sidewalks and fire hydrants.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 107.020 is amended to read:

(1) The term "governing body," as used in this chapter, means and includes the legislative body of any city, whether the same be designated by applicable statutes as a general council, a common

council, a city council, a board of trustees, a board of commissioners, or otherwise.

(2) The term "ordinance" means and includes any ordinance enacted in accordance with the general laws applicable to ordinances of the class of city in question, and the form of government thereof, and in accordance with the provisions of this chapter.

(3) The term "public way" means and includes streets, boulevards, avenues, roads, lanes, alleys, parkways, courts, terraces, and other courses of travel open to the general public by whatsoever name designated.

(4) The term "improvement" and "project" mean and include (a) the new construction of public ways or the substantial reconstruction or widening thereof, (b) the construction, installation or substantial reconstruction of sanitary, storm, or combined sewers and appurtenances, (c) the new construction, enlargement or substantial reconstruction of sewage treatment plants for rendering sewage less hazardous to public health, safety and general welfare, [or] *(e) the construction, installation or substantial replacement of fire hydrants in cities of the 3rd thru 6th classes, necessary water mains and appurtenances or (f)* any combination of the same. Bonds for improvements defined in (b) and (c) of this subsection may be caused to mature as to principal in term or serial maturities not to exceed thirty years from date of issue, instead of being limited to twenty years from date of issue as otherwise provided in KRS 107.090.

(5) The term "costs" as applied to any project undertaken under this chapter includes the cost of labor, materials, and equipment necessary to complete the project in a satisfactory manner, cost of land acquired, and every expense connected with the project, including preliminary and other surveys, inspections of the work, engineers' fees and costs, attorneys' fees, preparation of plans and specifications, publication of ordinances and notices, interest which will accrue on the bonds until the due date of the first annual improvement assessment levied in connection therewith, a sum equal to any discount in the sale of the bonds (if discount bids are authorized and permitted by the governing body), a reasonable allowance for unforeseen contingencies, the printing of bonds, and other costs of financing which may include the payment of a fee to a fiscal agent for advice and assistance in the preparation and marketing of the bonds.

(6) The term "assessed value basis" means the plan for the levying of annual improvement benefit assessments on the basis of the assessed values of the benefited properties, as authorized by this chapter.

(7) The term "front-foot basis" refers to the plan for financing

improvements by apportioning the cost among benefited properties upon the basis of the number of linear feet thereof abutting upon the improvement project, as otherwise provided by law.

(8) The terms "property to be benefited," "properties to be benefited," "benefited property" and "benefited properties" all mean and refer to the property or properties defined in KRS 107.140.

Section 2. KRS 107.030 is amended to read:

If a municipality desires to authorize, construct, and finance an improvement pursuant to this chapter, its governing body shall initiate the proceedings by adopting an ordinance, herein called the "First Ordinance," in which announcement shall be made (1) of the public way or ways (which need not be contiguous) proposed to be improved and the geographical limits of the proposed improvement in such manner as to identify the benefited properties, and/or (2) the identity of the property or properties to be benefited by *the fire hydrant in cities of the 3rd thru 6th classes or by the* sewer installations (which may include a sewage treatment plant) which properties may be identified by naming the public way or ways upon which they abut, if any, or by geographical location; and in either case the nature and scope of the improvement, a preliminary estimate of the costs thereof, as submitted in writing by an engineer, or firm of engineers, holding a license from the Commonwealth of Kentucky, and the amount, if any, which the city proposes to appropriate from available city funds toward the estimated cost. In all succeeding proceedings, the city shall be bound and limited by the preliminary report of the engineer, or engineers, with regard to the nature, scope, and extent of the proposed improvement project (unless the First Ordinance be amended, as hereinafter provided); but shall not be bound by, or limited to, the preliminary estimate of costs. The costs shall be determined upon the basis of construction bids publicly solicited as hereinafter provided, and shall be binding upon the city, and upon the owners of property to be benefited by the proposed improvement project, whether the same turn out to be equal to, below, or above such preliminary estimate. Architects, engineers, and fiscal agents may be employed without advertising or competition. The First Ordinance shall provide for a public hearing at a time and place specified therein (not less than one week after publication) and shall give notice that at such hearing any owner of property to be benefited may appear and be heard as to (1) whether the proposed project should be undertaken or abandoned, (2) whether the nature and scope of the project shall be altered, (3) whether the project shall be financed through the issuance of bonds according to the "assessed value basis," authorized by this chapter, or (4) whether the project shall be financed through assessments made and apportioned on a front-foot basis, as may otherwise be authorized by law. The First Ordinance shall be published as ordinances are required to be published, and if there be no requirement of publication, it shall, nevertheless, be published one time in a newspaper published in the city, or of general circulation in the city, or by posting copies in typewritten, mimeographed, or printed form in such number of public places in the city as the governing body may in said ordinance provide. The First Ordinance may designate a person, who may be the mayor, (or the chairman of the board of trustees) a member of the governing body, or any city official, to preside at and conduct such public hearing. In the absence of such designation in the ordinance, the mayor, chairman of the board of trustees, or a person designated by the mayor or chairman shall preside. Notwithstanding the foregoing, such public hearing shall not be deemed irregular or improper if it is in fact presided over and conducted at the designated time and place by any elected city officer or member of the governing body.

Section 3. KRS 107.140 is amended to read:

(1) (a) In the case of improvements of public ways, the benefited property shall consist of all real property abutting upon both sides of the improvement project, and the cost of improving intersections shall be included in the total costs to be assessed and apportioned, unless and to the extent the city shall appropriate, within constitutional limitations, from available funds, definite and specified sum as a contribution thereto, or a portion of the aggregate cost, or the cost of specified portions of the improvement; provided, however, that if provisions shall be made for sidewalk improvements, *as an integral part of the improvement of a "public way," as defined in KRS 107.020 subsection (3),* upon only one side of the project, the costs of the sidewalk improvement shall be ascertained and assessed separately against the property abutting upon that side only, but the governing body may provide that such assessment shall include a fair share of the over-all costs, as herein defined, other than the amounts of the actual construction contracts.

(b) In the case of improvements for draining sewage, storm water, or a combination thereof, the benefited properties shall consist of all properties which are thereby afforded a means of drainage, including not only the properties which may be contiguous to the improvements, but also adjacent properties within a reasonable distance therefrom as the governing body may in the proceedings set forth.

(c) In the case of an improvement project consisting in whole or in part of a sewage treatment plant, or enlargement or substantial reconstruction of an existing sewage treatment plant, the benefited properties shall be all those properties the sewage from which is treated in such plant, including properties already provided with sewer drainage facilities as well as those properties which the improvement project will provide with such drainage facilities, but the governing body may classify properties according to the extent of benefits to be afforded to them, and may establish one rate of assessment applicable to all properties participating in the benefits of the sewage treatment installations, and an additional rate of assessment applicable to properties for which the improvement project will also provide sewer drainage facilities.

(d) The governing body may, either in the proceedings initiating an improvement project, or in subsequent proceedings, recognize the necessity or desirability in the interest of the public health, safety and general welfare, that properties other than the properties originally benefited by an improvement under paragraphs (b) or (c) of this subsection, be permitted to connect to such sewer drainage and/or treatment facilities, and may make equitable provisions which may be adjustable from year to year as bonds are retired, whereby the owners of such later-connecting properties, may, by paying charges for the privilege of connecting, and/or by assuming a share of improvement assessments, or otherwise, be placed as nearly as practicable on a basis of financial equity with the owners of properties initially provided to be assessed.

(e) The governing body may, either in the proceedings initiating an improvement project, or in subsequent proceedings, recognize the necessity or desirability in the interest of the public health, safety and general welfare that residential properties within 1,000 feet, measured along paved roads, of a fire hydrant in cities of the 3rd thru 6th classes may be assessed on the same basis as property abutting upon a street where a fire hydrant is to be installed.

(2) Benefited property owned by the city, county or state, or owned by the United States Government or any of its agencies, if such property is subject to assessment by Act of Congress, shall be assessed annually the same as private property, and the amount of the annual assessment shall be paid by the city, county, state, or United States Government, as the case may be. The same right of action shall lie against the county as against a private owner. In the case of the state, the amount of the annual assessment shall be certified by the city treasurer to the Department of Finance, which shall thereupon draw a warrant upon the State Treasurer, payable to the city treasurer, for the amount thereof, and the State Treasurer shall pay the same out of any money in the State Treasury not otherwise appropriated. For the purpose of this chapter, all public school property shall be deemed to be property owned by the state as provided by KRS 162.010.

(3) No benefited property shall be exempt from assessment.

Section 4. KRS 170.190 is amended to read:

If the ordinances and proceedings authorized by this chapter shall encompass and include less than all of the undertakings authorized and contemplated by the definitions set forth in KRS 107.020, (i.e., a street improvement project with or without sidewalk, curb, gutter, and/or storm or surface water sewers or drains or sanitary sewers, or sewage treatment facilities *or fire hydrant in cities of the 3rd thru 6th classes*), the city shall not be precluded from ordaining and requiring the omitted matters and structures to be constructed at the expense of the benefited properties at any time in the future, in accordance with the provisions of this chapter, or in accordance with any other applicable laws. If the improvement project shall encompass all of the elements included in the definition of "improvement" or "project" as set forth in this chapter, the city shall not thereafter undertake any project for any part of the improvements as herein defined except (a) at the exclusive cost of the city, or (b) at the cost of the benefited properties from and after fifteen years after completion and acceptance of the project, or (c) from the proceeds of revenue bonds payable from service charges.

Said Committee Amendment to **HB 313** is as follows:

Amend printed copy of House Bill 313 on page 2, line 15, by: inserting after the word "appurtenances" the following: "in a city in a county containing a city of the first class"

HB 372, AN ACT relating to teachers' retirement benefits.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. For the purpose of carrying out the provisions of KRS 161.715 a special retirement fund is hereby created. The fund shall be financed out of any unappropriated revenue remaining in the General Fund.

Calendar

HB 267, HB 487, HB 488, HB 475, HB 479, HB 204, HB 393, HB 462, HB 391, HB 219, HB 439, HB 440, HB 442, HB 445, HB 446, HB 447, HB 448, HB 416, with Committee Amendment, **HB 449, HB 474, HB 181,** with Committee Amendment, **HB 422, HB 454, HB 432,** with Committee Amendment, **HB 483, HB 85, HB 283, HB 282,** with Committee Substitute, **HB 461, HB 215, HB 236,** with Committee Amendment, **HB 153, HB 395, HB 436, HB 370, HB 481, HB 227** taken from the Calendar and ordered read at length for the second time. Senator Gardner moved that they be read by title only. Agreed by a majority of members elected.

Ordered placed in Orders of the Day.

Orders of the Day—continued

HB 392 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the Previous Question on **HB 392.** Agreed.

On the roll call the vote was yeas 28—Blue, Brizendine, Buckman, Cobb, Derickson, Duffy, Edwards, Engle, Fuqua, Gardner, Garrett, D. Johnson, F. Johnson, Kelly, Kidwell, Layne, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Ware. Nays 0.

HB 392 was passed and the title agreed to.

Senator Cobb vacated the chair, Senator Ware, President Pro Tempore, presiding.

HB 405 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the Previous Question on **HB 405.** Agreed.

On the roll call the vote was yeas 25—Blue, Brizendine, Cobb, Derickson, Duffy, Edwards, Fuqua, Gardner, Garrett, D. Johnson, F. Johnson, Kelly, Kidwell, Kiser, Layne, McGinty, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Ware. Nays 1—Bonn.

HB 405 was passed and the title agreed to.

Senator Edwards moved to dispense with the Rules for the purpose of introducing a resolution. Agreed.

Introduction of Resolution

SR 57, by Senator Edwards:

A RESOLUTION authorizing and directing the Legislative Research Commission to study the pharmacy and drug laws throughout the United States and to prepare suggested legislation for consideration by the General Assembly of 1966.

WHEREAS, the pharmacy and drug laws of the Commonwealth of Kentucky are in need of revision; and

WHEREAS, suggestions for improvements of Kentucky's pharmacy and drug laws may be received through a thorough study of such laws in other states;

NOW, THEREFORE,

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Legislative Research Commission is authorized and directed to make a study of the pharmacy and drug laws throughout the United States.

Section 2. That the Legislative Research Commission prepare suggested legislation for consideration by the General Assembly of 1966.

Senator Edwards moved the adoption of **SR 57.** Agreed.

House Message

Announcing passage of **HR 130, SB 232, SB 229, SB 214, SB 207, SR 38.**

Orders of the Day—continued

HR 108, A CONCURRENT RESOLUTION requesting the Kentucky Historical Society to cause the erection of a monument to Governor James F. Robinson.

WHEREAS, James F. Robinson, as President of the Senate of the Commonwealth of Kentucky, acceded to the Governorship at a strenuous and difficult period, and filled that office with dignity and dispatch; and,

WHEREAS, James F. Robinson brought distinction to himself and to the Commonwealth throughout his career as attorney and jurist; and,

WHEREAS, the evidence of his concern for the welfare of others lingers yet through the educational facilities of Cardome Academy, which formerly was the home of this honorable gentleman;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky, the Senate concurring therein:

That the Kentucky Historical Society be and it hereby is requested to cause the erection of a suitable and fitting monument to the memory of Governor James F. Robinson.

Senator Gardner moved the adoption of **HR 108.** Agreed.

Report of Committee

Committee on Rules reported **HB 336, HB 225, HB 406, HB 500, HB 263, HB 260** with the expression of opinion that same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 336, AN ACT relating to the payment of expenses of certain officials elected on a county-wide basis, and establishing a revolving fund from which such expenses shall be paid; providing that certain revenues and fees be specifically allocated and paid into said revolving fund.

WHEREAS, the most recent increase of compensation for many elective County Officers, and State Officers elected at County level, was effected in 1950 as a result of legislation implementing the 1949 amendment to Section 246 of the Kentucky Constitution; and

WHEREAS, it is a matter of common knowledge that immediately after the 1950 regular session of the General Assembly the Korean Conflict began and consequent thereon a tremendous inflation of prices and increase in cost of living occurred, so that compensation limits established in early 1950 became unrealistic almost immediately; and

WHEREAS, the expense of operating public offices has been subject to the same inflation of prices, and in addition, in a civilization no longer truly rural, increased demands have been made on County governmental officials for additional services, for the costs of which no adequate provisions have yet been made by statute; and

WHEREAS, the report of the Legislative Research Commission, entitled "Compensation of Kentucky County Officials," dated February, 1964, which was prepared in conformity to the requirements of House Resolution No. 10 of the Third Extraordinary Session of the General Assembly, December, 1963, reveals that even those County Officials who are paid the constitutional maximum receive less compensation that similar officials in most other states; and

WHEREAS, the maintenance of adequate standards of service requires the reimbursement of officials elected on a county-wide basis in a manner reasonably calculated to relieve them of the necessity of making personal contributions to the expenses of their offices;

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Each Circuit Clerk, County Court Clerk, County Judge, Sheriff, and Jailer of each county shall be paid out of the Local Officials Expense Account Revolving Fund, hereinafter established, beginning July 1, 1964, a monthly sum in an amount fixed as provided in Section 2 hereof, which sum is hereby declared to be the equivalent of the minimum sum which each such official will expend each month in the performance of his official duties directed to be performed for the Commonwealth and the political subdivision of the Commonwealth for which he is elected, and for which no other provision has been made by law for payment. The Commissioner of Finance shall, on the first day of each month (or as near thereto as practicable), beginning August 1, 1964, draw his warrant on the State Treasurer in favor of each such official for the sum stated in this Act, and the same shall be paid from the revolving fund hereinafter established in payment of expenses for the preceding month. The sum so received shall be expended by each official in his discretion, the manner in which the same shall be applied in payment or reimbursement of such expenses being determined by such officer.

Section 2. It is found and declared that the amount of the expenses for which compensation is provided by Section 1 hereof is dependent upon the number of people served by the officer, and that reasonable differences exist in the expenses of officers in counties having less than 10,000 population, those containing a population of 10,000 to 74,999, and those containing a population of 75,000 or more. The monthly expense allowance payable under the terms of Section 1 is fixed at $100.00 for the eligible officers of counties containing a population of less than 10,000, $200.00 for officers of counties with a population of 10,000 to 74,999 and $300.00 for officers of counties with a population of 75,000 or more. Population shall be determined as of January 1 of the year immediately following the taking of the decennial census.

Section 3. There is hereby created and established in the State Treasury a revolving fund which shall be designated the Local Officials Expense Account Revolving Fund, from which fund the payments made under the provisions of this Act shall be disbursed.

Section 4. From and after July 1, 1964, there shall be credited to the Local Officials Expense Account Revolving Fund the following:

(a) All revenues paid into the State Treasury under the provisions of KRS 453.030;

(b) One third part of all excess fees for any year due or paid by each of the officers named in Section 1 of this Act, or any former officer, to the respective counties or to the Commonwealth, including such excess fees as may be paid to the Commonwealth under the requirements of Section 106 of the Constitution; and each officer charged with the receipt of any of the fees or revenues required by this Section to be paid into the Local Officials Expense Account Revolving Fund shall make timely reports to the Department of Finance, as said Department may require, showing the amount of money received or collected which is payable to said Fund, and said report, which shall be sworn to, shall be transmitted to the Department with the amount due to the Fund, all in accordance with appropriate regulations which may be made by the Department.

Section 5. If the Local Officials Expense Account Revolving Fund shall contain insufficient funds in any fiscal year to permit the payment of the entire expense allowance established in Section 2 hereof, a proportionate part of said allowance shall be paid to each eligible official upon the basis of the funds available in said revolving fund, and such proportionate payment shall be deemed a complete payment of all claims which the recipient may have against the fund for the year for which it is made. In a year in which two or more persons shall hold the same office in succession, payments shall be divided in proportion to the number of days served by each.

Section 6. Notwithstanding the provisions of this Act, any officer receiving compensation for his services in excess of $7,200 per annum shall report to the Department of Finance the amount of said excess over $7,200 and his payments under this Act shall accordingly be reduced in each year by the amount of said excess. The Department of Finance is empowered to make estimates of the amount of such reduction which will be required on a monthly basis and to adjust the total at the end of the fiscal year.

Section 7. Sections 25.320 and 25.330 of the Kentucky Revised Statutes are hereby repealed, effective July 1, 1964.

HB 225, AN ACT relating to limited partnerships.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

KRS 362.010 is hereby amended to read as follows:

Limited partnerships may be formed for the transaction of mercantile, agricultural, *livestock*, mechanical, brokerage and manufacturing business, or for acting as agents for insurance companies or for the mining and transporting of coal, but not for the purpose of transacting an insurance business.

HB 406, AN ACT relating to retirement of state employes.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 61.552 is amended to read:

(1) Any member of the system on July 1, 1962, and whose employment has previously been terminated without prejudice and who has been refunded his accumulated contributions, thereby losing service credit, may regain such credit by paying to the system the amount refunded with interest at a rate determined by the board provided such payment is made prior to January 1, 1963.

(2) Any person who becomes an employe of a participating

department after July 1, 1962, and whose employment has been terminated without prejudice prior to July 1, 1962, and who has been refunded his accumulated contributions, thereby losing service credit, may regain such credit by paying to the system the amount refunded with interest at a rate determined by the board provided such payment is made within six months of reemployment.

(3) Effective July 1, 1962, and thereafter any employe of a participating department who did not elect membership as provided in subsection (2) of KRS 61.525 may obtain credit for prior service and for current service by paying to the system the contribution he would have paid had he elected membership with interest at the rate determined by the board and an additional sum equal to fifty percent of this amount. The payment of the fifty percent sum shall be considered as accumulated contributions of the individual member.

(4) Effective July 1, 1962, and thereafter, an employe of a participating department, which did not participate in the system effective July 1, 1956, may obtain credit for current service between July 1, 1956, and the effective date of participation of his department by paying to the system the contribution he would have paid had his department participated on July 1, 1956, with interest at the rate determined by the board and an additional sum equal to fifty percent of this amount. The payment of the fifty percent sum shall be considered as accumulated contributions of the individual member.

(5) Any Army or Air Technician of the Department of Military Affairs who did not participate in the system during any period between July 1, 1956 and July 1, 1959 due to involuntary exclusion may obtain credit for current service between July 1, 1956 and July 1, 1959 by paying into the system, without penalty or interest, the employe's contribution he would have paid had he been permitted to enter the system prior to July 1, 1959.

(6) [(5)] Service credit obtained under this section shall be disallowed if a member does not obtain twelve months additional current service after the date such rights under this section have been exercised.

HB 500, AN ACT providing for a referendum vote for areas proposed to be annexed by municipalities of the third and fourth class cities.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. (1) Whenever, during the time provided for protest under the annexation procedure provided in KRS 81.100 and KRS 81.210, there shall be presented to the Judge of the County Court of the County wherein said proposed annexation lies, a petition containing the signatures of 25% of the freeholders of the area proposed to be annexed requesting a referendum vote on the question of said annexation, then it shall be the duty of the County Court to provide for the submission of that question by referendum, in the same manner and under the same procedure set forth in KRS 242.150 and KRS 242.160 and KRS 242.170.

(2) Upon the filing of the aforesaid petition it shall be the duty of the County Court to notify the legislative body of the annexing authority and the Judge of the Circuit Court before, which a protest suit may be pending, if such is pending, by registered mail of the proposed referendum and such notification shall stay any further proceedings in this regard.

(3) The provisions of the Act shall relate to annexation procedures instituted by cities of the third and fourth classes.

HB 263, AN ACT relating to the probation of wills.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

KRS 394.140 is amended to read as follows:

Wills shall be proved before, and admitted to record by, the county court of the testator's residence *(if such residence was on a United States army post, military reservation or fort, it may be proved and admitted to record in the county court of any county adjacent thereto);* if he had no known place of residence in this state, and land is devised, then in the county where the land or part thereof lies; if no land is devised, then in the county where he died, or where his estate or part thereof is, or where there is a debt or demand owing to him.

HB 260, AN ACT relating to a change of name.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

KRS 401.010 is amended to read as follows:

Any person at least twenty-one years of age, who is not a married woman, may have his name changed by the county court of the county in which he resides. *If he resides on a United States army post, military reservation or fort his name may be changed by the county court of any county adjacent thereto.*

KRS 401.020 is amended to read as follows:

The father, or if he is dead or has abandoned his infant child, the mother and guardian, or if no mother is living, the guardian alone, may have the name of an infant child changed by the county court of the county in which the child resides. *If the child resides on a United States army post, military reservation or fort his name may be changed by the county court of any county adjacent thereto.*

Announcement

Senator Gardner, Chairman, announced a meeting of the Committee on Rules for 9:00 A.M., Thursday, March 19, in Room 327.

Senator Gardner moved that the Senate adjourn until 10:00 A.M., Thursday, March 19. Agreed.

THURSDAY, MARCH 19, 1964

FIFTY-NINTH LEGISLATIVE DAY

The Senate was called to order by the President.

Prayer by the Reverend John Hunt of the First Presbyterian Church of Frankfort.

The roll was called. All present except Senator Buckman, who was granted leave of absence on motion of Senator McCann.

Reading of the Journal for March 18 dispensed with and the same approved on motion of Senator McCann.

Recess

Senator Gardner moved the Senate to recess until 12:30 for the purpose of hearing Commissioner of Highways, Henry Ward, explain his side of the elevator controversy. Agreed.

At the appointed hour the President resumed the chair and called the Senate to order.

Calendar

HB 358, HB 470, HB 493, HB 497, HB 507, HB 508, HB 494, HB 484, HB 472, HB 504, HB 386, HB 150, HB 286, HB 211, HB 469, with Committee Amendment, **HB 411, HB 452, HB 346, HB 78,** with Committee Amendment, **HB 410, HB 330, HB 82, HB 73, HB 313,** with Committee Amendment, **HB 372, HB 336, HB 225, HB 406, HB 500, HB 263, HB 260** taken from the Calendar and ordered read at length for the second time. Senator Gardner moved that they be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

Motions, Petitions and Communications

Senator Gardner moved to take **HR 130** from the Clerk's desk for adoption. Agreed.

HR 130, A CONCURRENT RESOLUTION recognizing the University of Kentucky's Centennial Year.

WHEREAS, the University of Kentucky, founded by an act of the Kentucky General Assembly on February 22, 1865, as the Commonwealth's land-grant institution, will be celebrating the 100th anniversity of its founding during 1965; and

WHEREAS, in the years since its establishment it has distinguished itself in the service of the Commonwealth as a leading institution of higher education in the state; and

WHEREAS, through this period the institution has trained leaders and outstanding persons in the professions for the economic and cultural benefit of Kentucky and the nation; and

WHEREAS, the University of Kentucky through its functions of research, teaching, and public service has aided immensely the advancement of the state and nation; and

WHEREAS, it has become increasingly clear that the world of scholarship as represented by the University of Kentucky must be looked to for answers and solutions to the problems facing our complex society;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the Commonwealth of Kentucky, the Senate concurring therein:

That the House of Representatives and the Senate of the General Assembly and the individual members of the 1964 Kentucky General Assembly, do hereby reaffirm our faith in and support of higher education and the University of Kentucky and do hereby proclaim for the Commonwealth of Kentucky the calendar year of 1965 as the
UNIVERSITY OF KENTUCKY'S CENTENNIAL YEAR
and call upon all citizens of the Commonwealth to join with the University in this time of celebration of its Centennial and rededication to its avowed objective of greater service and leadership during its second century.

Senator Gardner moved the adoption of **HR 130.** Agreed.

Senator Gardner moved to take **HR 95** from the Clerk's desk for adoption. Agreed.

HR 95, A CONCURRENT RESOLUTION requesting and petitioning the State Board of Elections to educate, assist, and instruct all election officials.

WHEREAS, the proper conduct of elections is a concern of all the citizens of the Commonwealth; and

WHEREAS, the State Board of Elections is the proper State agency to assist, educate and instruct all election officials;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the Commonwealth of Kentucky, the Senate concurring therein:

Section 1. That the State Board of Elections is hereby requested and petitioned to:

(a) Furnish such registration material and forms as may be necessary and appropriate for the registration of voters in the respective counties,

(b) Instruct the County Board of Elections as to the printing of county and local ballots, the content and interpretation of election law and procedure,

(c) Prepare, publish and distribute explanatory pamphlets to election officials and the electorate,

(d) Act as a clearing house for coordinating and distributing election information,

(e) Review the election laws on a continuing basis and report to each regular session of the General Assembly recommendations for the improvement of election laws and administration,

(f) Prepare and distribute copies of the election laws to all county election officials,

(g) Prepare and distribute pamphlets explaining the election law and procedure to all precinct workers,

(h) Work closely with the Office of the Attorney General in assisting the local election officials.

Senator Gardner moved the adoption of **HR 95.** Agreed.

Senator Gardner moved to take **HR 94** from the Clerk's desk for adoption. Agreed.

HR 94, A CONCURRENT RESOLUTION directing a study relating to the classification of cities.

WHEREAS, the question of the proper classification of Kentucky cities arises in each regular session of the General Assembly; and

WHEREAS, statutes prescribing the consequences of changes in classification and the alternatives in selecting a municipal organizational structure are complex; and

WHEREAS, the Kentucky statutes on organization of cities have become more and more complex and present a haphazard, rather than an orderly, pattern;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the Commonwealth of Kentucky, the Senate concurring therein:

Section 1. That the Legislative Research Commission shall conduct a study to ascertain the proper classification under the constitution of each city in the Commonwealth; and

Section 2. That the Legislative Research Commission shall out-line consequences of, and alternative forms of government available to, a city transferred from one class to another; and

Section 3. That this study shall be extended to all six classes of cities specified in the Constitution; and

Section 4. That the Legislative Research Commission, in the conduct of this study, shall so far as practicable, secure the cooperation of the Kentucky Municipal League, University of Louisville Local Governmental Center, University of Kentucky, Western State College, and any other agency whose services would contribute to the effective conclusion of the study.

Section 5. That the Legislative Research Commission shall submit a report on this study to the 1966 regular session of the General Assembly.

Senator Gardner moved the adoption of **HR 94.** Agreed.

Senator Gardner moved to take **HR 118** from the Clerk's Desk for adoption. Agreed.

HR 118, A CONCURRENT RESOLUTION extending appreciation to the Temperance League of Kentucky for its sponsorship of the legislative prayer breakfasts.

WHEREAS, the Temperance League of Kentucky, by sponsoring the legislative prayer breakfasts, has provided members of the General Assembly and officials of state government an apportunity to convene in an atmosphere conducive to better relationship and understanding; and

WHEREAS, these legislative prayer breakfasts are always well attended and remain one of the finest compliments paid the members of the General Assembly during their stay at the Capitol;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky, the Senate concurring therein:

Section 1. That the General Assembly extend its profound appreciation to the Temperance League of Kentucky for sponsoring the legislative prayer breakfasts.

Section 2. That the Clerk of the House of Representatives be directed to send a copy of this resolution to Reverend Walter C. House, Executive Director of the Temperance League of Kentucky.

Senator Gardner moved the adoption of **HR 118.** Agreed.

Senator Gardner moved to take **HR 117** from the Clerk's desk. Agreed.

Senator Gardner moved that **HR 117** be returned to the Clerk's Desk. Agreed.

Introduction of Resolutions

SR 58, by Senator Kinkead: A RESOLUTION directing the Legislative Research Commission to conduct a study of the merits of a periodic motor vehicle inspection law.

WHEREAS, the mounting highway accident and death rate in Kentucky has reached alarming proportions; and

WHEREAS, each year sees increasing numbers of vehicles registered for use on Kentucky's roads and highways; and

WHEREAS, modern highway engineering and construction is aimed at greater traffic safety; and

WHEREAS, motor vehicles, through normal wear and tear develop mechanical defects, which, if detected and corrected, materially reduce accidents;

NOW, THEREFORE,

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Legislative Research Commission be instructed to conduct a study of the merits of a periodic motor vehicle safety inspection law with specific regard to:

(1) The number of accidents caused by human failure, equipment failure and other causes; and

(2) Experience of other states having similar legislation; and

(3) Advantages of publicly owned and operated inspection systems as opposed to a privately owned system of inspections.

Section 2. That the Legislative Research Commission complete this study prior to January 1, 1965 in order that the proper time and study may be devoted to the findings by members of the General Assembly.

Section 3. That a Safety Legislation Committee be named by the Governor to be composed of members of the General Assembly and interested citizens to examine the study before the next regular session of the General Assembly.

Senator Kinkead moved the adoption of **SR 58.** Agreed.

SR 59, by Senator Brizendine: A RESOLUTION relating to law enforcement.

Senator Brizendine moved that **SR 59** be laid on the Clerk's desk. Agreed.

SR 60, by Senator McCann: A RESOLUTION declaring Senator Pleaz William Mobley "Music Laureate of Kentucky."

WHEREAS, Senator Pleaz Mobley is one of Kentucky's foremost folk singers and guitar players; and

WHEREAS, the members of this General Assembly and their guests were treated to a highly enjoyable and entertaining afternoon when Senator Mobley, in company with the "Traipsin' Woman" and her group, put on a special performance for them during this session; and

WHEREAS, this is that time of the year when it is customary to bestow honors on worthy Irishmen; and

WHEREAS, Senator Mobley, is of Irish Scottish lineage, and is directly descended from the O'Mobley clan of Northern Ireland,

NOW, THEREFORE,

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky:

That Senator Pleaz William Mobley be honored by designating him "Music Laureate of the Commonwealth of Kentucky."

Senator McCann moved the adoption of **SR 60.** Agreed.

SR 61, by Senator McGinty: A RESOLUTION on the enforcement of Section 436.160 of the Kentucky Revised Statutes, known as the "Sunday Blue Law."

WHEREAS, the Kentucky General Assembly by its actions have failed to make any changes in Section 436.160 of the Kentucky Revised Statutes known as the "Sunday Blue Law;" and

WHEREAS, the Kentucky Court of Appeals and the United States Supreme Court have through their opinions and decisions stated that Section 436.160 of the Kentucky Revised Statutes is constitutional and enforceable; and

WHEREAS, this present law is not being uniformly enforced throughout the Commonwealth of Kentucky and thereby ignoring the desires of the General Assembly of Kentucky and the citizens of the Commonwealth;

NOW, THEREFORE,

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Governor of Kentucky in facilities owned or controlled by the State immediately stop the sale of all merchandise and services on Sunday with the exception of food and lodging. The State facilities and employees should be the first to obey the laws of the Commonwealth and we can not expect the citizens of Kentucky to obey any or all laws when the State itself is intentionally and flagrantly violating them.

Section 2. That the State Police enforce this law in every section of the Commonwealth equally and fairly.

Section 3. That the Attorney General's office prosecute every violator of Section 436.160 of the Kentucky Revised Statutes and that the citizens of Kentucky are asked to notify the Attorney General of any and all violations.

Section 4. That the police and sheriffs arrest all violators.

Section 5. That since Section 436.160 of the Kentucky Revised Statutes has been upheld by the United States Supreme Court and the Court of Appeals of the State of Kentucky that the entire judicial system of every city and county in the State cooperate in stopping the open and flagrant violations of this law.

Senator McGinty moved the adoption of **SR 61.** Agreed.

Orders of the Day

HB 418 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Garrett moved the Previous Question on **HB 418.** Agreed.

On the roll call the vote was yeas 31—Billington, Blue, Brizendine, Cobb, Derickson, Duffy, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkeaed, Kiser, Layne, Mann, McCann, McGinty, Miller, Mobley, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Ware. Nays 1—Bonn.

HB 418 was passed and the title agreed to.

HB 2 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the Previous Question on **HB 2.** Agreed.

On the roll call the vote was yeas 31—Billington, Blue, Bonn, Brizendine, Cobb, Derickson, Duffy, Duncan, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, F. Johnson, Kidwell, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Miller, Newberry, Nichols, Palmer, Raybourne, Swope, Turner, Van Hoose, Ware. Nays 2—D. Johnson, Mobley.

HB 2 was passed and the title agreed to.

Report on Enrolled Bills

Committee on Enrollment reported that **SB 9, SB 10, SB 11, SB 21, SB 27, SB 33, SB 47, SB 58, SB 84, SB 92, SB 106, SB 119, SB 136, SB 137, SB 138, SB 142, SB 163, SB 168, SB 175, SB 176, SB 196, SB 197, SB 204, SB 207, SB 213, SB 214, SB 229, SB 232, SR 38** had been examined and found correctly enrolled. **SB 9, SB 10, SB 11, SB 21, SB 27, SB 33, SB 47, SB 58, SB 84, SB 92, SB 106, SB 119, SB 136, SB 137, SB 138, SB 142, SB 163, SB 168, SB 175, SB 176, SB 196, SB 197, SB 204, SB 207, SB 213, SB 214, SB 229, SB 232, SR 38** read at length, compared, and signed in open session by the President. Ordered delivered to the House.

SB 9, SB 10, SB 11, SB 21, SB 27, SB 33, SB 47, SB 58, SB 84, SB 92, SB 106, SB 119, SB 136, SB 137, SB 138, SB 142, SB 163, SB 168, SB 175, SB 176, SB 196, SB 197, SB 204, SB 207, SB 213, SB 214, SB 229, SB 232, SR 38 delivered, signed by the Speaker. Ordered delivered to the Governor.

SB 254 taken from Orders of the Day and ordered read at length for the third time. Senator Fuqua moved that **SB 254** be passed and that it retain its place in Orders of the Day. Agreed.

HR 17 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Fuqua moved the adoption of **HR 17.** Agreed.

HB 455 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the Previous Question on **HB 455.** Agreed.

On the roll call the vote was yeas 33—Billington, Blue, Brizendine, Cobb, Derickson, Duffy, Duncan, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, Howard, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

HB 455 was passed and the title agreed to.

HB 249 taken from Orders of the Day, with the Committee Amendments attached thereto, and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the adoption of Committee Amendment #1 to **HB 249.** Agreed.

Said Committee Amendment #1 to **HB 249** is as follows:

Amend printed copy of House Bill 249 on page 13, line 11, by:

After "the State Board of Education, or" add "Special Education Supervisor in State Department of Education"

Senator Gardner moved the adoption of Committee Amendment #2 to **HB 249.** Agreed.

Said Committee Amendment #2 to **HB 249** is as follows:

Amend printed copy of House Bill 249 on page 2, lines 25, 26 and 27, by:

striking the following sentence in its entirety: "The board of examiners, as set up by this law, shall be responsible for interpreting this definition and its application in specific cases."

Senator Gardner moved the adoption of Committee Amendment #3 to **HB 249.** Agreed.

Said Committee Amendment #3 to **HB 249** is as follows:

Amend printed copy of House Bill 249 on page 1, line 4, by:

deleting the word "clinical"

and on page 11, line 24, by deleting the word "any" and inserting the word "no"

and on page 2, line 7, by inserting after the word "principles" the words "and methods"

and on page 6, line 24, deleting the word "related" and inserting the word "rated"

and on page 1, line 7, by deleting "16" and inserting "15"

Senator Gardner moved the Previous Question on **HB 249,** as amended. Agreed.

On the roll call the vote was yeas 29—Billington, Blue, Brizendine, Cobb, Derickson, Duffy, Duncan, Edwards, Engle, Fuqua, Gardner, Garrett, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, McCann, Miller, Mobley, Newberry, Nichols, Palmer, Swope, Turner, Van Hoose, Ware. Nays 1—Bonn.

HB 249 was passed and the title agreed to.

HB 474 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the Previous Question on **HB 474.**

Senators Van Hoose and Miller requested a roll call on Senator Gardner's Previous Question motion. Agreed.

On the roll call the vote was yeas 23—Billington, Bonn, Brizendine, Derickson, Duffy, Edwards, Engle, Gardner, Garrett, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, McCann, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Turner, Ware. Nays 7—Duncan, Fuqua, D. Johnson, Layne, McGinty, Miller, Van Hoose.

The motion to adopt the Previous Question on **HB 474** was adopted.

On the roll call the vote was yeas 27—Billington, Blue, Bonn, Brizendine, Cobb, Derickson, Duffy, Edwards, Engle, Gardner, Garrett, Gay, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Mann, McCann, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Turner, Ware. Nays 8—Duncan, Fuqua, D. Johnson, Layne, McGinty, Miller, Swope, Turner.

HB 474 was passed and the title agreed to.

Report on Enrolled Bills

Committee on Enrollment reported that **HB 371, HB 145, HB 250, HB 266, HB 413, HB 414** had been examined and found correctly enrolled. **HB 371, HB 145, HB 250, HB 266, HB 413, HB 414** read at length, compared, and signed in open session by the President. Ordered delivered to the House.

HB 483 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the Previous Question on **HB 483.** Agreed.

On the roll call the vote was yeas 29—Billington, Blue, Bonn, Brizendine, Cobb, Derickson, Duffy, Duncan, Edwards, Engle, Fuqua, Gardner, Garrett, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Layne, McCann, McGinty, Miller, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Ware. Nays 3—Kiser, Mann, Mobley.

HB 483 was passed and the title agreed to.

HB 397 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner offered Amendment #1 to **HB 397** and moved its adoption.

There was no request for a roll call on the motion to amend **HB 397**, and the voice vote was predominantly "no".

On the roll call the vote was yeas 35—Billington, Blue, Bonn, Brizendine, Cobb, Derickson, Duffy, Duncan, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

HB 397 was passed and the title agreed to.

HB 487 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the Previous Question on **HB 487**. Agreed.

On the roll call the vote was yeas 27—Billington, Blue, Bonn, Brizendine, Cobb, Derickson, Duffy, Duncan, Engle, Fuqua, Gardner, D. Johnson, F. Johnson, Kidwell, Kinkead, Layne, Mann, McCann, McGinty, Miller, Mobley, Nichols, Palmer, Spence, Swope, Turner, Van Hoose. Nays 0.

HB 487 was passed and the title agreed to.

HB 488 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the Previous Question on **HB 488**. Agreed.

On the roll call the vote was yeas 29—Blue, Bonn, Brizendine, Duffy, Duncan, Edwards, Fuqua, Gardner, Gay, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

HB 488 was passed and the title agreed to.

HB 475 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the Previous Question on **HB 475**. Agreed.

On the roll call the vote was yeas 29—Bonn, Brizendine, Derickson, Duffy, Duncan, Edwards, Fuqua, Gardner, Gay, D. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

HB 475 was passed and the title agreed to.

HB 236 taken from Orders of the Day, with the Committee Amendment attached thereto, and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the adoption of the Committee Amendment #1 to **HB 236.** Agreed.

Senator Gardner offered Amendment #2 to **HB 236** and moved its adoption. Agreed.

Said Amendment #2 to **HB 236** is as follows:
Amend printed copy of House Bill 236 on page 20, by: inserting after line 8, the following:
"Section 36. This Act shall not be construed as being applicable to or to affect or disturb in any manner any existing police and/or firemen's pension or retirement fund, any provision herein to the contrary notwithstanding, and the police and firemen pension funds in cities of the second class shall be governed and administered under existing provisions of KRS 95.851 to KRS 95.885."

On the roll call the vote was yeas 5—Billington, Gay, Kelly, Mobley, Van Hoose. Nays 15—Bonn, Duffy, Engle, Fuqua, D. Johnson, F. Johnson, Kidwell, Kinkead, Layne, McCann, McGinty, Palmer, Swope, Turner, Ware.

HB 236 was defeated.

Senator Ware moved that the vote by which **HB 236** was defeated be reconsidered and that said motion be laid on the table. Agreed.

HB 219 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the Previous Question on **HB 219.** Agreed.

On the roll call the vote was yeas 29—Billington, Blue, Bonn, Cobb, Derickson, Duffy, Duncan, Edwards, Engle, Fuqua, Gardner, Garrett, D. Johnson, F. Johnson, Kelly, Kidwell, Kiser, Mann, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

HB 219 was passed and the title agreed to.

The President vacated the chair, Senator Van Hoose presiding.

HB 439 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 439.** Agreed.

On the roll call the vote was yeas 28—Billington, Blue, Bonn, Brizendine, Cobb, Derickson, Duffy, Duncan, Edwards, Fuqua, Gardner, Garrett, Gay, F. Johnson, Kelly, Kidwell, Kiser, Mann, McCann, Mobley, Newberry, Nichols, Palmer, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

HB 439 was passed and the title agreed to.

HB 442 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 442.** Agreed.

On the roll call the vote was yeas 30—Billington, Bonn, Brizendine, Cobb, Derickson, Duffy, Duncan, Edwards, Fuqua, Gardner, Garrett, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McCann, Miller, Mobley, Newberry, Nichols, Palmer, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

HB 442 was passed and the title agreed to.

HB 446 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 446.** Agreed.

On the roll call the vote was yeas 30—Billington, Blue, Bonn, Brizendine, Cobb, Derickson, Duffy, Duncan, Edwards, Fuqua, Gardner, Garrett, Gay, D. Johnson, F. Johnson, Kidwell, Kinkead, Layne, Mann, McCann, Miller, Mobley, Newberry, Nichols, Palmer, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

HB 446 was passed and the title agreed to.

Senator Van Hoose vacated the chair, Senator Duffy presiding.

HB 447 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 447.** Agreed.

On the roll call the vote was yeas 30—Billington, Blue, Bonn, Brizendine, Cobb, Derickson, Duffy, Duncan, Edwards, Fuqua, Gardner, Garrett, D. Johnson, F. Johnson, Kidwell, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Miller, Mobley, Newberry, Palmer, Raybourne, Spence, Swope, Turner, Ware. Nays 0.

HB 447 was passed and the title agreed to.

HB 449 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 449**. Agreed.

On the roll call the vote was yeas 28—Blue, Bonn, Brizendine, Cobb, Derickson, Duffy, Duncan, Edwards, Fuqua, Gardner, Garrett, F. Johnson, Kidwell, Kiser, Layne, Mann, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Ware. Nays 0.

HB 449 was passed and the title agreed to.

Senator Duffy vacated the chair, the President presiding.

Report on Enrolled Bills

Committee on Enrollment reported that **HB 231, HB 279, HB 350, HB 392, HB 405, HB 418, HB 455** had been examined and found correctly enrolled. **HB 231, HB 279, HB 350, HB 392, HB 405, HB 418, HB 455** read at length, compared and signed in open session by the President. Ordered delivered to the House.

HB 462 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the Previous Question on **HB 462**. Agreed.

On the roll call the vote was yeas 31—Billington, Blue, Bonn, Brizendine, Cobb, Derickson, Duffy, Duncan, Edwards, Engle, Fuqua, Gardner, Garrett, F. Johnson, Kelly, Kidwell, Kiser, Layne, Mann, McCann, McGinty, Miller, Mobley, Newberry, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

HB 462 was passed and the title agreed to.

HB 267 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the Previous Question on **HB 267**. Agreed.

On the roll call the vote was yeas 33—Billington, Blue, Bonn, Brizendine, Cobb, Derickson, Duffy, Duncan, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

HB 267 was passed and the title agreed to.

HB 419 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

On the roll call the vote was yeas 33—Billington, Blue, Bonn, Brizendine, Cobb, Derickson, Duffy, Duncan, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Turner, Van Hoose, Ware. Nays 0.

HB 419 was passed and the title agreed to.

The President vacated the chair, Senator Miller presiding.

HB 451 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the Previous Question on **HB 451.** Agreed.

On the roll call the vote was yeas 30—Billington, Blue, Brizendine, Cobb, Duffy, Duncan, Edwards, Engle, Fuqua, Gardner, Garrett, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

HB 451 was passed and the title agreed to.

HB 479 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Garrett moved the Previous Question on **HB 479.** Agreed.

On the roll call the vote was yeas 32—Billington, Blue, Bonn, Brizendine, Cobb, Duffy, Duncan, Edwards, Engle, Fuqua, Gardner, Garrett, Howard, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

HB 479 was passed and the title agreed to.

HB 435 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the Previous Question on **HB 435.** Agreed.

On the roll call the vote was yeas 32—Billington, Bonn, Brizendine, Cobb, Derickson, Duffy, Duncan, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Van Hoose, Ware. Nays 0.

HB 435 was passed and the title agreed to.

HB 403 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the Previous Question on **HB 403.** Agreed.

On the roll call the vote was yeas 33—Billington, Blue, Bonn, Brizendine, Buckman, Cobb, Derickson, Duffy, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Van Hoose, Ware. Nays 0.

HB 403 was passed and the title agreed to.

Senator Gay moved to take **HR 96** from the Clerk's Desk for adoption. Agreed.

HR 96, A CONCURRENT RESOLUTION directing the Legislative Research Commission in cooperation with the State Department of Agriculture and the University of Kentucky to conduct a study of Kentucky laws pertaining to all aspects of marketing and handling of tobacco from the farm to the redryer.

WHEREAS, the agricultural economy of Kentucky is dependent on the tobacco enterprise to the extent that over one-third of the cash farm income is derived from this enterprise; and

WHEREAS, the overall tobacco industry has an approximate impact of a billion dollars on the economy of the State; and

WHEREAS, efficient marketing facilities, procedures and practices are most essential to the maintenance and continuance of the general welfare of the tobacco industry; and

WHEREAS, the cost of handling and marketing tobacco through the looseleaf warehouses has advanced significantly in recent years; and

WHEREAS, the efficient use of marketing facilities has been reduced through the continued shortening of the sale season.

NOW, THEREFORE,

Be it resolved by the House of Representatives of the Commonwealth of Kentucky, the Senate concurring therein:

Section 1. That the Legislative Research Commission be directed to call upon the State Department of Agriculture and the University of Kentucky to make a thorough survey and study of the present laws concerned with the marketing of tobacco.

Section 2. That in the study specific attention shall be given to determining the more critical problems of the marketing system for tobacco.

Section 3. That an examination shall be made of all marketing research now available along with the regulatory programs pertaining to tobacco marketing in other states.

Section 4. That on the basis of the above study careful evaluation of the adequacy of the present tobacco marketing regulatory program of Kentucky be made.

Section 5. That in conclusion specific recommendations shall be set forth for the purposes of improving the regulatory program of Kentucky as it may contribute toward the improvement of the tobacco industry.

Senator Gay moved the adoption of **HR 96.** Agreed.

HB 458 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the Previous Question on **HB 458.** Agreed.

On the roll call the vote was yeas 31—Billington, Blue, Bonn, Brizendine, Cobb, Derickson, Duffy, Duncan, Edwards, Engle, Fuqua, Gardner, Garrett, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

HB 458 was passed and the title agreed to.

HB 459 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 459.** Agreed.

On the roll call the vote was yeas 31—Billington, Blue, Bonn, Brizendine, Buckman, Cobb, Derickson, Duffy, Edwards, Engle, Fuqua, Gardner, Garrett, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Spence, Swope, Turner, Van Hoose, Ware. Nays 1—Mann.

HB 459 was passed and the title agreed to.

Announcement

Senator Gardner, Chairman, announced a meeting of the Committee on Rules for 9:00 A.M., Friday, March 20, in Room 327.

Senator Gardner moved that the Senate adjourn until 11:00 A.M., Friday, March 20. Agreed.

FRIDAY, MARCH 20, 1964

SIXTIETH LEGISLATIVE DAY

The Senate was called to order by the President.

Prayer by the Reverend John C. Chenault of the First Christian Church of Frankfort.

The roll was called. All Senators were present.

Reading of the Journal for March 19 dispensed with and the same approved on motion of Senator McCann.

House Message

Announcing passage of **HR 103**, **HR 136**, **SB 152**, **SB 230**, **SB 112**, **SB 40**, with Amendment, **SB 80**, **SB 108**, **SB 133**, **SB 134**, **SB 135**, **SB 143**, **SB 161**, **SB 224**, **SB 244**.

Introduction of Resolutions

SR 62, by Senator Kelly: A RESOLUTION commending the Senate's President, members and employes.

WHEREAS, the achievements of the Senate during this 1964 session of the General Assembly is due to the diligent and faithful performance of their duties by each member of the Senate; and

WHEREAS, the success of the Senate during this session is due, in no small measure, to the capable leadership supplied to the Senate by its President, Lieutenant-Governor, Harry Lee Waterfield; and,

WHEREAS, the able and industrious employes have contributed largely to the success of this body.

NOW, THEREFORE,

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky:

That the Senate commend the President of the Senate, the members of the Senate and the Senate employes for a "job well done."

Senator Kelly moved the adoption of **SR 62**. Agreed.

SR 63, by Senator Billington: A RESOLUTION requesting the Governor of Tennessee and the appropriate State agency to investigate unjustified arrests made of Kentucky motorists while traveling the highways in Western Tennessee.

WHEREAS, citizens of the Commonwealth of Kentucky, while traveling upon the highways in Western Tennessee, are being followed, stopped, arrested and subjected to abusive language by police officers operating in that locale for what, in many cases, are unjustifiable charges; and

WHEREAS, these police officials require the Kentucky motorists to post large cash bonds which, in most instances are forfeited, to avoid embarrassing publicity; and

WHEREAS, to allow this condition to continue is to jeopardize the harmony and good-will which exists between these two great States, and which will result in a decrease of tourist trade in the State of Tennessee;

NOW, THEREFORE,

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky:

Section 1. That this situation be brought to the attention of the Honorable Frank Clement, Governor of Tennessee, and the appropriate agency of state government; and

Section 2. That they establish the facts of this situation by checking the number of arrests made of Kentucky motorists in Western Tennessee, and Henry County, in particular; and

Section 3. That the necessary measures be taken to alleviate these unjust practices in cases where such are evidenced by the facts.

Senator Gardner moved the adoption of **SR 63.** Agreed.

SR 64, by Senator Mobley: A RESOLUTION granting the Senate employes and the temporary employes of the Legislative Research Commission additional compensation.

Senator Mobley moved the adoption of **SR 64.**

Senator Mobley moved that **SR 64** be laid on the Clerk's desk. Agreed.

SR 65, by Senator Newberry: A RESOLUTION directing the Legislative Research Commission to study agricultural production on state and local government owned land in the Commonwealth.

WHEREAS, legislation introduced at this session of the General Assembly has raised the question as to the extent of production of agricultural products on tax exempt government owned property; and

WHEREAS, question has arisen as to the effect of production and sale of agricultural products of government lands on the competitive market;

NOW, THEREFORE,

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Legislative Research Commission shall conduct a study of the extent of the production of agricultural products, including livestock, on state and local government owned land and the volume of income derived from the sale of these products.

Section 2. That the Legislative Research Commission shall report its findings under this resolution to the 1966 regular session of the General Assembly.

Senator Newberry moved the adoption of **SR 65.** Agreed.

SR 66, by Senator Nichols: A RESOLUTION clarifying the intent of the Senate in the passage of House Bill 1.

WHEREAS, the General Assembly appointed an Advisory Committee on State Purchasing to review purchasing policies and procedures in the Commonwealth; and

WHEREAS, as a result of that study the Committee proposed a model purchasing law to provide for the maximum value for each dollar of revenue spent by State agencies; and

WHEREAS, it was determined that the best safeguard against unwise expenditures was to require competitive bidding for purchases over $300.00; and

WHEREAS, it was the desire of the Committee to have a central repository in the Department of Finance of purchasing records; and

WHEREAS, a question of legislative intent has arisen; and

WHEREAS, it is considered basic policy that the General Assembly state intent to avoid problems in administration when possible,

NOW, THEREFORE,

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky:

That it was the intent of the Senate in the passage of House Bill 1, 1964 Session of the General Assembly, to include all purchases by all agencies regardless of the source of funds or account numbers, except highway (road construction) contracts and surplus property utilization assigned to the Department of Education which are governed by other provisions of the Kentucky Revised Statutes.

Senator Nichols moved the adoption of **SR 66.** Agreed.

SR 67, by Senator Howard: A RESOLUTION requesting and petitioning the Department of Finance of the Commonwealth of Kentucky to investigate the cost of providing planning services through area offices and savings which would result from closing said offices, and the possibility of relocating the Division of Planning and Zoning, and requesting and petitioning the Department of Commerce to extend planning services under its present area office program pending the findings of the Department of Finance.

WHEREAS, the Division of Planning and Zoning of the Department of Commerce has been extending planning services to approximately forty communities in the Commonwealth of Kentucky through its area offices in Ashland, Corbin and Hopkinsville, and

WHEREAS, the Commissioner of Commerce has announced that this planning service is to be discontinued, indicating that such discontinuance will save the Commonwealth of Kentucky approximately $75,000 annually; and

WHEREAS, such service is essential to the programs of said communities which involve funds from the United States Government; and

WHEREAS, no program for providing planning service has been announced by the Commissioner of Commerce in lieu of the present program; and

WHEREAS, discontinuance of such service is a matter of extreme importance to all of the communities in the Commonwealth of Kentucky.

NOW, THEREFORE,

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky:

That the Commissioner of Finance be requested to determine the savings resulting from a discontinuance of planning services through area offices; and

That the Commissioner of Finance be requested to investigate the advisability of removing the Division of Planning and Zoning from the Department of Commerce and placing it in another department; and

That the Commissioner of Commerce be requested to announce the program which will be implemented after said area offices are closed, if they are closed; and

That the Commissioner of Commerce be requested to retain the

Planning and Zoning Division's area offices in their present locations until the next regular legislative session of the General Assembly of Kentucky, pending the report of the Commissioner of Finance.

Senator Howard moved the adoption of **SR 67.** Agreed.

SR 68, by Senator McCann: A RESOLUTION extending condolences to former Lieutenant Governor Wilson W. Wyatt and his family on the death of Mr. Wyatt's beloved mother.

WHEREAS, Mrs. Richard H. Wyatt, the mother of former Lieutenant Governor Wilson W. Wyatt, died at the age of 93 at 11 a.m., Thursday, March 19, at the Heritage House Nursing Home; and

WHEREAS, former Lieutenant Governor Wilson W. Wyatt, who presided over this honorable body so ably, has suffered a great loss in the death of his beloved mother; and

WHEREAS, this honorable body shares with Mr. Wyatt his grief at this time;

NOW, THEREFORE,

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky:

Section 1. That condolences be and are hereby extended to former Lieutenant Governor Wilson W. Wyatt and his family on the death of Mr. Wyatt's beloved mother.

Section 2. That a copy of this resolution be sent to former Lieutenant Governor, Wilson W. Wyatt.

Senator McCann moved the adoption of **SR 68.** Agreed.

SR 69, by Senators Kelly and Howard: A RESOLUTION regarding the failure to appoint Dr. Adrian Doran, President of Morehead State College, to the Governor's Commission on Higher Education.

WHEREAS, the newspapers published the names of certain educators recently appointed by the Governor of the Commonwealth of Kentucky as members of the Commission on Higher Education; and,

WHEREAS, the name of a distinguished and great educator in the person of Dr. Adrian Doran, President of Morehead State College, was not included;

NOW, THEREFORE,

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky:

Section 1. That we, the Senate of the Commonwealth of Kentucky are much aggrieved and disappointed at the loss of the services of such a distinguished educator, and that while the Commission on Higher Education will be well served by its present members, the Senate strongly advocates that Dr. Doran would have made a great contribution to the success of the Commission.

Section 2. That the Clerk of the Senate is hereby directed to forward a copy of this resolution to the Governor of the Commonwealth of Kentucky, to the Commission on Higher Education, to Dr. Adrian Doran and to the S.R.E.B. Board.

Senator Kelly moved the adoption of **SR 69.** Agreed.

SR 70, by Senator Howard: A RESOLUTION requesting the improvement and modernization of U. S. Highway 25 E.

WHEREAS, improvement of U. S. Highway 25E is essential to the economic growth of southeastern Kentucky; and

WHEREAS, U. S. Highway 25E, between Corbin and Middlesboro, is seriously deficient and does not meet modern standards of highway construction and is unsafe;

NOW, THEREFORE,

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Governor of the Commonwealth of Kentucky and the Commissioner of Highways are requested to expeditiously initiate and complete the construction of a modern U. S. Highway 25E between Corbin and Middlesboro.

Section 2. That the Clerk of the Senate shall cause a copy of this Resolution to be sent to the Governor and Commissioner of Highways.

Senator Howard moved the adoption of **SR 70.** Agreed.

SR 71, by Senator Mobley: A RESOLUTION granting the Senate employes and the temporary employes of the Legislative Research Commission additional compensation.

Senator Mobley moved the adoption of **SR 71.** Lost by voice vote.

Senator Swope moved that **SB 40,** enclosed in the House Message today, be laid on the Clerk's Desk, with the House Amendment attached thereto. Agreed.

Orders of the Day

HB 199 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the Previous Question on **HB 199.** Agreed.

On the roll call the vote was yeas 33—Billington, Blue, Bonn, Brand, Brizendine, Buckman, Cobb, Derickson, Duffy, Duncan, Edwards, Engle, Fuqua, Gardner, Garrett, Howard, D. Johnson, F. Johnson, Kidwell, Kinkead, Layne, McCann, McGinty, Miller, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 1—Mobley.

HB 199 was passed and the title agreed to.

HB 404 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the Previous Question on **HB 404.** Agreed.

On the roll call the vote was yeas 25—Billington, Bonn, Brand, Brizendine, Cobb, Duffy, Edwards, Engle, Fuqua, Gardner, Garrett, Howard, D. Johnson, Kidwell, Kinkead, Layne, McCann, McGinty, Newberry, Nichols, Palmer, Raybourne, Spence, Turner, Ware. Nays 4—Blue, Mobley, Swope, Van Hoose.

HB 404 was passed and the title agreed to.

HB 422 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 422.** Agreed.

On the roll call the vote was yeas 30—Billington, Bonn, Brand, Buckman, Cobb, Duffy, Duncan, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, Howard, D. Johnson, F. Johnson, Kidwell, Kinkead, Layne, McCann, McGinty, Mobley, Newberry, Nichols, Palmer, Spence, Swope, Turner, Van Hoose, Ware. Nays 3—Brizendine, Miller, Raybourne.

HB 422 was passed and the title agreed to.

HB 494 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the Previous Question on **HB 494.** Agreed.

On the roll call the vote was yeas 31—Billington, Blue, Bonn, Brand, Brizendine, Buckman, Cobb, Derickson, Duffy, Duncan, Edwards, Engle, Fuqua, Gardner, Garrett, Kidwell, Kinkead, Layne, Mann, McCann, McGinty, Miller, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 3—Gay, F. Johnson, Mobley.

HB 494 was passed and the title agreed to.

HB 416 taken from Orders of the Day, with the Committee Amendment attached thereto, and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the adoption of the Committee Amendment to **HB 416.** Agreed.

Senator Gardner moved the Previous Question on **HB 416,** as amended. Agreed.

On the roll call the vote was yeas 28—Billington, Blue, Brand, Brizendine, Buckman, Cobb, Duffy, Duncan, Edwards, Fuqua, Gardner, Garrett, Gay, Howard, D. Johnson, Kelly, Kidwell, Mann, McCann, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Van Hoose. Nays 1—McGinty.

HB 416, as amended, was passed and the title agreed to.

HB 109 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the Previous Question on **HB 109.** Agreed.

On the roll call the vote was yeas 36—Billington, Blue, Bonn, Brand, Brizendine, Buckman, Cobb, Derickson, Duffy, Duncan, Edwards, Fuqua, Gardner, Garrett, Gay, Howard, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Van Hoose, Ware. Nays 0.

HB 109 was passed and the title agreed to.

HB 227 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the Previous Question on **HB 227.** Agreed.

On the roll call the vote was yeas 33—Billington, Blue, Bonn, Brand, Brizendine, Buckman, Cobb, Derickson, Duffy, Edwards, Fuqua, Gardner, Gay, Howard, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, McCann, McGinty, Miller, Mobley, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

HB 227 was passed and the title agreed to.

Recess

Senator Gardner moved that the Senate recess until 1:30 P.M., for the purpose of having lunch.

At the appointed hour, the President resumed the chair and called the Senate to order.

Orders of the Day—continued

HB 46 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the Previous Question on **HB 46.** Agreed.

On the roll call the vote was yeas 24—Billington, Blue, Brizendine, Buckman, Fuqua, Gardner, Garrett, Howard, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, McGinty, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose. Nays 0.

HB 46 was passed and the title agreed to.

HB 504 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Garrett moved the Previous Question on **HB 504.** Agreed.

On the roll call the vote was yeas 25—Billington, Blue, Brand, Brizendine, Buckman, Edwards, Fuqua, Gardner, Garrett, Howard, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, McGinty, Newberry, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose. Nays 0.

HB 504 was passed and the title agreed to.

Report on Enrolled Bills

Committee on Enrollment reported that **HB 446, HB 439, HB 219, HB 2, HB 475, HB 488, HB 487, HB 474, HB 447, HB 442, HB 462, HB 397, HB 267, HB 403, HB 419, HB 435, HB 451, HB 458, HB 459, HB 479, HB 483, HB 449** had been examined and found correctly enrolled. **HB 446, HB 439, HB 219, HB 2, HB 475, HB 488, HB 487, HB 474, HB 447, HB 442, HB 462, HB 397, HB 267, HB 403, HB 419, HB 435, HB 451, HB 458, HB 459, HB 479, HB 483, HB 449** read at length, compared, and signed in open session by the President. Ordered delivered to the House.

Orders of the Day—continued

HB 507 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Buckman moved the Previous Question on **HB 507.** Agreed.

On the roll call the vote was yeas 27—Billington, Blue, Bonn, Brizendine, Buckman, Cobb, Derickson, Edwards, Fuqua, Gardner, Garrett, Gay, Howard, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, McGinty, Nichols, Palmer, Raybourne, Spence, Swope, Turner. Nays 0.

HB 507 was passed and the title agreed to.

HB 372 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Billington moved the Previous Question on **HB 372.** Agreed.

On the roll call the vote was yeas 35—Billington, Blue, Bonn, Brand, Brizendine, Buckman, Cobb, Derickson, Duffy, Edwards, Fuqua, Gardner, Garrett, Gay, Howard, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

HB 372 was passed and the title agreed to.

HB 472 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the Previous Question on **HB 472.** Agreed.

On the roll call the vote was yeas 33—Billington, Blue, Bonn, Brand, Brizendine, Cobb, Derickson, Duffy, Edwards, Fuqua, Gardner, Garrett, Gay, Howard, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

HB 472 was passed and the title agreed to.

HB 470 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the Previous Question on **HB 470.** Agreed.

On the roll call the vote was yeas 33—Billington, Blue, Bonn, Brand, Brizendine, Cobb, Derickson, Duffy, Duncan, Edwards, Fuqua, Gardner, Howard, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Swope, Turner, Van Hoose, Ware. Nays 0.

HB 470 was passed and the title agreed to.

HB 367 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the adoption of the Committee Amendment to **HB 367.** Agreed.

Senator Gardner moved the Previous Question on **HB 367,** as amended. Agreed.

On the roll call the vote was yeas 35—Billington, Blue, Bonn, Brand, Brizendine, Buckman, Cobb, Derickson, Duffy, Edwards, Fuqua, Gardner, Garrett, Gay, Howard, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, McCann, Mc,Ginty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

HB 367, as amended, was passed and the title agreed to.

HB 368 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the Previous Question on **HB 368.** Agreed.

On the roll call the vote was yeas 34—Billington, Blue, Bonn, Brizendine, Buckman, Cobb, Derickson, Duffy, Duncan, Edwards, Fuqua, Gardner, Garrett, Gay, Howard, D. Johnson, F. Johnson, Kelly, Kidwell, Kiser, Layne, Mann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

HB 368 was passed and the title agreed to.

HB 284 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the Previous Question on **HB 284.** Agreed.

On the roll call the vote was yeas 25—Billington, Blue, Bonn, Brizendine, Buckman, Cobb, Derickson, Fuqua, Gardner, Garrett, D.

Johnson, F. Johnson, Kelly, Kidwell, Kiser, Miller, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 2 —Howard, Mobley.

HB 284 was passed and the title agreed to.

HB 271 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the adoption of Committee Amendment #1 to **HB** 271. Agreed.

Senator Gardner moved the adoption of Committee Amendment #2 to **HB** 271. Agreed.

Senator Gardner moved the Previous Question on **HB** 271, as amended. Agreed.

On the roll call the vote was yeas 32—Billington, Blue, Bonn, Brizendine, Cobb, Derickson, Duncan, Fuqua, Gardner, Garrett, Gay, Howard, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Van Hoose, Ware. Nays 0.

HB 271, as amended, was passed and the title agreed to.

HB 153 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Van Hoose moved the Previous Question on **HB** 153. Agreed.

On the roll call the vote was yeas 35—Billington, Blue, Brand, Brizendine, Buckman, Cobb, Derickson, Duffy, Duncan, Fuqua, Gardner, Garrett, Gay, Howard, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

HB 153 was passed and the title agreed to.

HB 313 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Miller moved the adoption of the Committee Amendment to **HB** 313. Agreed.

Senator Miller moved to amend the title to **HB** 313 so as to read: "AN ACT relating to fire hydrants." Agreed.

Senator Miller moved the Previous Question on **HB 313**, as amended. Agreed.

On the roll call the vote was yeas 35—Billington, Blue, Bonn, Brand, Brizendine, Buckman, Cobb, Derickson, Duffy, Duncan, Edwards, Fuqua, Garrett, Howard, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

HB 313, as amended, was passed and the title agreed to.

HB 481 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Garrett moved the Previous Question on **HB 481**. Agreed.

On the roll call the vote was yeas 31—Blue, Bonn, Brand, Brizendine, Cobb, Derickson, Duffy, Duncan, Fuqua, Gardner, Garrett, Howard, D. Johnson, Kelly, Kidwell, Kiser, Layne, Mann, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

HB 481 was passed and the title agreed to.

Report on Enrolled Bills

Committee on Enrollment reported that **SB 80, SB 108, SB 112, SB 133, SB 134, SB 135, SB 143, SB 152, SB 230, SB 161, SB 224, SB 244** had been examined and found correctly enrolled. **SB 80, SB 108, SB 112, SB 133, SB 134, SB 135, SB 143, SB 152, SB 230, SB 161, SB 224, SB 244** read at length, compared, and signed in open session by the President. Ordered delivered to the House.

SB 80, SB 108, SB 112, SB 133, SB 134, SB 135, SB 143, SB 152, SB 230, SB 161, SB 224, SB 244 delivered, signed by the Speaker. Ordered delivered to the Governor.

House Message

Announcing passage of **SB 227**, with amendment, **SB 32**, with amendment, **SB 115**, with amendment, **SB 156**, with amendment, **SB 151, SB 157, SB 158, SB 199, SB 238, SB 243.**

Orders of the Day—Continued

HB 440 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the Previous Question on **HB 440.** Agreed.

On the roll call the vote was yeas 29—Billington, Blue, Brand, Brizendine, Buckman, Cobb, Derickson, Edwards, Fuqua, Gardner, Garrett, Howard, D. Johnson, Kidwell, Kinkead, Kiser, Layne, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Van Hoose, Ware. Nays 2—Duffy, Kelly.

HB 440 was passed and the title agreed to.

Recess

Senator Gardner moved that the Senate recess for one hour for the purpose of having a meeting of the Committee on Rules. Agreed.

At the appointed hour the President resumed the chair and called the Senate to order.

Orders of the Day—Continued

SB 156 taken from Orders of the Day for concurrence in the House Amendment thereto.

Senator Gardner moved to concur in the House Amendment to **SB 156.** Agreed.

Said House Amendment to **SB 156** is as follows:

Amend printed copy of Senate Bill 156, on page 1, by:
striking all after the enacting clause and inserting in lieu thereof:

"Section 1. (1) Each board of education may set aside funds to provide for liability insurance to protect the individual members of the board.

(2) The insurance policy shall be issued by some insurance company authorized to transact business in this State."

Senator Gardner moved the Previous Question on **SB 156,** as amended. Agreed.

On the roll call the vote was yeas 31—Billington, Blue, Brand, Brizendine, Buckman, Derickson, Duffy, Fuqua, Gardner, Garrett, Gay, Howard, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Miller, Mobley, Nichols, Palmer, Raybourne, Spence, Turner, Van Hoose, Ware. Nays 0.

SB 156, as amended, was passed and the title agreed to.

House Message

Announcing passage of **SB 260**, **SB 221**, **SB 220**, **SB 144**, **SB 145**, **SB 193**, **HR 144.**

Orders of the Day—Continued

SB 227 taken from Orders of the Day for concurrence in the House Amendment thereto.

Senator Miller moved to concur in the House Amendment to **SB 227.** Agreed.

Said House Amendment to **SB 227** is as follows:

Amend printed copy of Senate Bill 227 on page 1, line 6, by:

inserting after the word "any" and before the word "school", thereon, the following:

"state supported"

Senator Miller moved the Previous Question on **SB 227,** as amended. Agreed.

On the roll call the vote was yeas 34—Billington, Blue, Brand, Brizendine, Buckman, Derickson, Duffy, Duncan, Edwards, Fuqua, Gardner, Garrett, Gay, Howard, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Miller, Mobley, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

SB 227, as amended, was passed and the title agreed to.

Report on Enrolled Bills

Committee on Enrollment reported that **SB 151**, **SB 199**, **SB 157**, **SB 158**, **SB 238**, **SB 243**, **HB 404**, **HB 199**, **HB 109**, **HB 494**, **HB 422**, **HB 227** had been examined and found correctly enrolled. **SB 151**, **SB 199**, **SB 157**, **SB 158**, **SB 238**, **SB 243**, **HB 404**, **HB 199**, **HB 109**, **HB 494**, **HB 422**, **HB 227** read at length, compared, and signed in open session by the President. Ordered delivered to the House.

SB 151, **SB 199**, **SB 157**, **SB 158**, **SB 238**, **SB 243** delivered, signed by the Speaker. Ordered delivered to the Governor.

Orders of the Day—Continued

SB 115 taken from Orders of the Day for concurrence in the House Amendment thereto.

Said House Amendment to **SB 115** is as follows:

Amend printed copy of Senate Bill 115 on page 2, lines 2-25, by:

deleting Sections 2 and 3 and substituting in lieu therefor the following:

Section 2. In the event any person, firm or corporation who or which has entered into a contract with the Commonwealth of Kentucky, or any of its departments or agencies, claims a breach of said contract or makes a claim under said contract which is disputed, said person, firm or corporation may bring an action against the Commonwealth in the Franklin Circuit Court for the purpose of securing appropriate legal or equitable relief. Governmental immunity shall not be a defense. If recovery is had the amount shall be limited to:

(A) In a suit on the contract, the amount provided in the contract for the materials, equipment rentals, or services for which payment is demanded;

(B) In a suit for breach of contract, a sum equal to ten percent (10%) of the total amount of the contract between the Commonwealth and the plaintiff.

Section 3. No person, firm or corporation shall be permitted more than one money recovery upon, or for the breach of, a particular contract with the Commonwealth. A judgment on the merits awarding or denying recovery in a previous suit by the same party, or his privies, against the Commonwealth on or for breach of the same contract shall be a bar to any other claim for damages or monetary recovery arising out of the same contract.

Section 4. Money awards are to be paid upon warrant drawn by the Commissioner of Finance on the State Treasurer from such funds of the Commonwealth as are then available or shall become available.

Section 5. Any cause of action shall be commenced within one year after the cause of action first accrues; provided, however, no cause of action under the provisions of this Act shall lie on any contract entered into prior to the effective date of this Act.

Section 6. "Commonwealth" shall mean any agency, department, or political subdivision of the State Government.

Senator Buckman moved to table **SB 115.**

The motion to table **SB 115** was rejected by a standing vote of nine to eighteen.

Senator Buckman moved to concur in the House Amendment to **SB 115**, which motion was seconded by Senator Ware. Senators Buckman and Ware requested a roll call on Senator Buckman's motion to concur in the House Amendment to **SB 115.**

On the roll call the vote was yeas 21—Brizendine, Cobb, Derickson, Duffy, Edwards, Engle, Gardner, D. Johnson, F. Johnson, Kinkead, Kiser, Layne, McCann, McGinty, Miller, Nichols, Palmer, Raybourne, Spence, Turner, Ware. Nays 13—Billington, Blue, Brand, Buckman, Duncan, Fuqua, Gay, Howard, Mann, Mobley, Newberry, Swope, Van Hoose.

The motion to concur in the House Amendment to **SB 115** was adopted.

On the roll call the vote was yeas 22—Billington, Blue, Brizendine, Cobb, Derickson, Duffy, Edwards, Engle, Gardner, D. Johnson, Kinkead, Kiser, Layne, McCann, McGinty, Miller, Nichols, Palmer, Raybourne, Spence, Turner, Ware. Nays 10—Buckman, Duncan, Fuqua, Gay, Howard, Mann, Mobley, Newberry, Swope, Van Hoose.

SB 115, as amended, was passed and the title agreed to.

The Clerk read the following resolution.

A RESOLUTION expressing the gratitude of the pages to the members of the Senate for granting to them the privilege of serving as pages for the Senate of the General Assembly of the Commonwealth of Kentucky during the 1964 Regular Session.

WHEREAS, the pages feel that it was indeed an honor and a privilege for them to have the opportunity to serve as pages of the Senate of the General Assembly of the Commonwealth of Kentucky during the 1964 Regular Session; and

WHEREAS, the pages believe that their service in the Senate has greatly enhanced their interest in the affairs of the Commonwealth of Kentucky and has greatly increased their knowledge of the operation of the government of the Commonwealth of Kentucky:

NOW, THEREFORE,

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky:

That the pages hereby express their gratitude to the members of the Senate for granting to them the privilege of serving as pages for the Senate of the General Assembly of the Commonwealth of Kentucky during the 1964 Regular Session.

Senator Layne moved that the above resolution be spread upon the minutes. Agreed.

Recess

Senator Duffy moved that the Senate recess for thirty minutes for the purpose of having a Democratic caucus.

At the appointed hour the President resumed the chair and called the Senate to order.

Senator Van Hoose arose to a point of order, stating that the time is up and that the Sergeant at Arms should notify the Democratic Caucus that the Senate is in session.

The chair ruled the point well taken.

Senator McCann moved that the Senate recess for fifteen minutes, said motion seconded by Senator Palmer.

Senator McCann withdrew his motion to recess.

Orders of the Day—Continued

HR 117, A CONCURRENT RESOLUTION setting sine die adjournment of the 1964 Regular Session of the General Assembly.

Be it resolved by the House of Representatives of the Commonwealth of Kentucky, the Senate concurring therein:

That when the House of Representatives and the Senate do adjourn on Friday, March 20, 1964, they do so adjourn sine die.

Senator Gardner moved the adoption of **HR 117.** Agreed.

Report on Enrolled Bills

Committee on Enrollment reported that **HB 440, HB 372, HB 368, HB 504, HB 481, HB 472, HB 153, HB 46, HB 470, HB 284, HB 507, SB 144, SB 156, SB 260, SB 193, SB 227, SB 221, SB 115, SB 220, SB 145** had been examined and found correctly enrolled. **HB 440, HB 372, HB 368, HB 504, HB 481, HB 472, HB 153, HB 46, HB 470, HB 284, HB 507, SB 144, SB 156, SB 260, SB 193, SB 227, SB 221, SB 115, SB 220, SB 145** read at length, compared, and signed in open session by the President. Ordered delivered to the House.

SB 144, SB 156, SB 260, SB 193, SB 227, SB 221, SB 115, SB 220, SB 145 delivered, signed by the Speaker. Ordered delivered to the Governor.

Orders of the Day—Continued

HB 453 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Garrett moved the Previous Question on **HB 453.** Agreed.

On the roll call the vote was yeas 35—Billington, Blue, Brand, Brizendine, Cobb, Derickson, Duffy, Duncan, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, Howard, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose. Nays 0.

HB 453 was passed and the title agreed to.

HB 436 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Garrett moved the Previous Question on **HB 436.** Agreed.

On the roll call the vote was yeas 22—Billington, Blue, Brizendine, Cobb, Derickson, Duffy, Fuqua, Gardner, Garrett, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, McCann, McGinty, Newberry, Nichols, Palmer, Spence, Turner, Van Hoose. Nays 9—Engle, Gay, Howard, D. Johnson, Layne, Mann, Miller, Mobley, Swope.

HB 436 was passed and the title agreed to.

House Message

Announcing passage of **SR 25, SR 53.**

Report on Enrolled Bill

Committee on Enrollment reported that **SR 25** had been examined and found correctly enrolled. **SR 25** read at length, compared, and signed in open session by the President. Ordered delivered to the House.

SR 25 delivered, signed by the Speaker. Ordered delivered to the Governor.

Recess

Senator Duffy moved that the Senate recess for one hour for the purpose of having a Democratic caucus. Agreed.

At the appointed hour the President resumed the chair and called the Senate to order.

House Message

Announcing passage of **SB 248.**

Senator Van Hoose moved to adjourn sine die. Senators Van Hoose and Gardner requested a roll call on said motion. Agreed.

On the roll call the vote was yeas 8—Duncan, Fuqua, Gay, Layne, McGinty, Miller, Swope, Van Hoose. Nays 25—Billington, Blue, Brizendine, Buckman, Duffy, Edwards, Engle, Gardner, Garrett, Howard, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, McCann, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Turner, Ware.

The motion to adjourn sine die was rejected.

Orders of the Day—Continued

HR 136, A CONCURRENT RESOLUTION relating to imported meats.

WHEREAS, Kentucky is a great and growing beef, mutton and pork producing state, and

WHEREAS, the people of this Commonwealth are concerned with the increase of imported meats from foreign countries, and

WHEREAS, this is a problem that can be dealt with most effectively by the federal and not the state government;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the Commonwealth of Kentucky, the Senate concurring therein:

Section 1. That the federal government, both executive and legislative, be requested to conduct a close and continuing study of foreign imports of red meat products in these United States; and, further that steps be taken on a national level to require the upgrading of standards applicable to these foreign imports in order that United States standards be met or exceeded.

Section 2. Be it further resolved that a copy of this Resolution be forwarded by the Chief Clerk of this House to the President of the United States, Lyndon B. Johnson; the Secretary of Agriculture, Orville S. Freeman, and every member of the Kentucky congressional and senate delegation.

Senator Brizendine moved the adoption of **HR 136.** Agreed.

Report on Enrolled Bills

Committee on Enrollment reported that **SB 248, HB 453, HB 436** had been examined and found correctly enrolled. **SB 248, HB 453, HB 436** read at length, compared, and signed in open session by the President. Ordered delivered to the House.

SB 248 delivered, signed by the Speaker. Ordered delivered to the Governor.

Orders of the Day—Continued

HR 144, A CONCURRENT RESOLUTION directing the Legislative Research Commission to study the eminent domain and condemnation statutes.

WHEREAS, extensive powers of condemnation and the exercise of eminent domain have been granted to governmental units and agencies, both at the state and local level; and

WHEREAS, these studies presently constitute a complex segment of our statutory law;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the Commonwealth of Kentucky, the Senate concurring therein:

Section 1. That the Legislative Research Commission shall conduct a thorough examination of the statutory provisions relating to the power of condemnation and eminent domain, both by state and local governments and government agencies and subdivisions.

Section 2. That the Legislative Research Commission shall report its findings to the 1966 Regular Session of the General Assembly, together with any recommendations as to statutory change or simplification deemed desirable by the Commission.

Senator Raybourne moved the adoption of **HR 144.** Agreed.

Introduction of Resolutions

SR 72, by Senators Cobb and Howard: A RESOLUTION extending congratulations to The College of the Bible in Lexington, Kentucky, which is presently observing a three year Centennial Celebration culminating in a special program to be held in 1965, the Centennial Year, for its one hundred years of service to the community.

WHEREAS, The College of the Bible was founded in 1865 by John Bowman; and

WHEREAS, throughout its existence The College of the Bible has dedicated itself to educating men and women for the pastoral ministry; and

WHEREAS, The College of the Bible has served the community by providing lecture series and musical programs for the public; and

WHEREAS, The College of the Bible has brought honor and fame to the Commonwealth of Kentucky by training people for the ministry, who serve congregations throughout the country;

NOW, THEREFORE,

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky:

Section 1. That The College of the Bible in Lexington, Kentucky, which is presently observing a three year Centennial Celebration culminating in a special program to be held in 1965, the Centennial Year, be and is hereby extended congratulations for its one hundred years of service to the community.

Section 2. That a copy of this resolution be sent to Dr. Riley B. Montgomery, the President of The College of the Bible.

Senator Howard moved the adoption of **SR 72.** Agreed.

SR 73, by Senator Blue: A RESOLUTION relating to the administration of a flower fund for members of the General Assembly.

WHEREAS, the special committee of the Senate appointed to undertake the Return Assembly Ball has funds in its possession remaining after all expenditures have been made to defray the expense of the Return Assembly Ball; and

WHEREAS, no regular procedure exists whereby this body may express proper sympathy for members of the General Assembly and their families when the General Assembly is not in session;

NOW, THEREFORE,

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky:

Section 1. That $100.00 of the funds remaining after defraying the cost of the 1964 Return Assembly Ball shall be placed in the custody of the Director of the Legislative Research Commission, and the Director shall from this money in his custody express proper sympathy when the occasion arises for adversities suffered by members of the 1964 General Assembly and members of recent sessions of the General Assembly.

Section 2. That the Director of the Legislative Research Commission shall report to the Chief Clerk of the Senate at the beginning of the 1966 Regular Session of the General Assembly as to the itemized expenditures authorized under this Resolution.

Senator Blue moved the adoption of **SR 73.** Agreed.

Orders of the Day—Continued

HB 225 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the Previous Question on **HB 225**. Agreed.

On the roll call the vote was yeas 33—Billington, Brand, Brizendine, Buckman, Derickson, Duffy, Duncan, Edwards, Engle, Fuqua, Gardner, Garrett, Howard, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

HB 225 was passed and the title agreed to.

House Message

Announcing passage of **SB 212.**

Orders of the Day—Continued

HB 314 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the Previous Question on **HB 314**. Agreed.

On the roll call the vote was yeas 36—Billington, Blue, Brand, Brizendine, Buckman, Derickson, Duffy, Duncan, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, Howard, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

HB 314 was passed and the title agreed to.

House Message

Announcing passage of **SB 201, SB 44,** with amendment, **SB 240, SB 174, SB 125, SB 126, SB 107.**

Report on Enrolled Bills

Committee on Enrollment reported that **SB 201, HB 313, HB 249, SB 212, HB 271, HB 314, HB 225, HB 3, HB 367, HB 416** had been examined and found correctly enrolled. **SB 201, HB 313, HB 249, SB 212, HB 271, HB 314, HB 225, HB 3, HB 367, HB 416** read at length, compared, and signed in open session by the President. Ordered delivered to the House.

SB 201, SB 212 delivered, signed by the Speaker, ordered delivered to the Governor.

Recess

Senator Gardner moved that the Senate recess until 9:45 p.m., for the purpose of having a meeting of the Rules Committee. Agreed.

At the appointed hour the President resumed the chair and called the Senate to order.

House Message

Announcing passage of **SB 35**, with amendment, **SB 187.**

Orders of the Day—Continued

SB 35 taken from Orders of the Day for concurrence in the House Amendment thereto.

Said House Amendment to **SB 35** is as follows:
Amend printed copy of Senate Bill 35 on page 1, line 2, by:
adding after the word "county," and before the word "and" the following:
"containing a city of the second class,"
and on pages 1 and 2 by deleting Section 3 in its entirety.

Senator Johnson moved that the Senate concur in the House Amendment to **SB 35.** Agreed.

Senator Johnson moved the Previous Question on **SB 35,** as amended. Agreed.

On the roll call the vote was yeas 26—Brand, Brizendine, Buckman, Duffy, Duncan, Engle, Garrett, Gay, Howard, D. Johnson, F. Johnson, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Miller, Mobley, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose. Nays 0.

SB 35, as amended, was passed and the title agreed to.

Report on Enrolled Bills

Committee on Enrollment reported that **SB 107, SB 125, SB 126, SB 174, SB 240** had been examined and found correctly enrolled. **SB 107, SB 125, SB 126, SB 174, SB 240** read at length, compared, and signed in open session by the President. Ordered delivered to the House.

SB 107, SB 125, SB 126, SB 174, SB 240 delivered, signed by the Speaker, ordered delivered to the Governor.

Orders of the Day—Continued

HR 51, A JOINT RESOLUTION relating to administrative rules and regulations.

WHEREAS, over recent years the Kentucky General Assembly has passed legislation setting up various commissions, and granting to these and already existing commissions the authority to adopt and promulgate rules and regulations which have the force and effect of law, and

WHEREAS, these commissions cumulatively comprise an increasingly large segment of the State Government, and have more or less permanent personnel not subject to election or re-election by the public, and

WHEREAS, these commissions are actually the creations of the General Assembly, or operate under broad grants of legislative authorization but whose powers and functions are not precisely stipulated by the General Assembly, and

WHEREAS, the General Assembly has no control over, or review of, the rules and regulations these commissions write;

NOW, THEREFORE,

Be it resolved by the General Assembly of the Commonwealth of Kentucky:

That henceforth all bills introduced in the General Assembly pertaining to the authority of state commissions, boards and like bodies to promulgate rules and regulations and containing the phrase ". . . . and other such rules and regulations as approved by the Commissioner . . ." or language substantially to the same effect, must also include the following or substantially similar phrasing ". . . . and other such rules and regulations as approved by the Commissioner as to content, and the Legislative Research Commission as to form. . ."

Senator Gardner moved the adoption of **HR 51.** Agreed.

HB 493 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the Previous Question on **HB 493.** Agreed.

On the roll call the vote was yeas 29—Billington, Blue, Brand, Brizendine, Buckman, Cobb, Derickson, Duffy, Engle, Fuqua, Gardner, Garrett, Gay, Howard, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, McCann, McGinty, Miller, Newberry, Nichols, Palmer, Raybourne, Spence, Turner, Ware. Nays 8—Duncan, Edwards, D. Johnson, Layne, Mann, Mobley, Swope, Van Hoose.

HB 493 was passed and the title agreed to.

SB 44 taken from Orders of the Day for concurrence in the House Amendment thereto.

Said House Amendment to **SB 44** is as follows:

Amend printed copy of Senate Bill 44 on page 1, line 6, by:

deleting the word "ten" and inserting in lieu thereof the word "five"

and on page 2, line 25, by deleting the word "ten" and inserting in lieu thereof the word "five"

and on page 3, line 1, by deleting the "]" and on page 3 line 4, by deleting the "["

Senator Gay moved that the Senate concur in the House Amendment to **SB 44.** Agreed.

Senator Gay moved the Previous Question on **SB 44,** as amended. Agreed.

On the roll call the vote was yeas 35—Billington, Blue, Brand, Brizendine, Buckman, Duffy, Duncan, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, Howard, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

SB 44, as amended, was passed and the title agreed to.

HB 346 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the Previous Question on **HB 346.** Agreed.

On the roll call the vote was yeas 33—Billington, Blue, Brizendine, Buckman, Duffy, Duncan, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, Howard, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

HB 346 was passed and the title agreed to.

HB 383 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

On the roll call the vote was yeas 33—Billington, Blue, Brizendine, Buckman, Duffy, Duncan, Engle, Fuqua, Gardner, Garrett, Gay, Howard, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

HB 383 was passed and the title agreed to.

Report on Enrolled Bills

Committee on Enrollment reported that **SB 187, SB 35, SB 44** had been examined and found correctly enrolled. **SB 187, SB 35, SB 44** read at length, compared, and signed in open session by the President. Ordered delivered to the House.

SB 187, SB 35, SB 44 delivered, signed by the Speaker, ordered delivered to the Governor.

HB 236 taken from the Clerk's desk for consideration.

Senator Ware moved the Previous Question on **HB 236.**

Senator Kinkead moved, seconded by Senator Van Hoose, that **HB 236** be tabled.

Said motion to table was carried by a standing vote of eighteen to eleven.

Orders of the Day—Continued

HB 395 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the Previous Question on **HB 395.** Agreed.

On the roll call the vote was yeas 33—Billington, Brand, Brizendine, Duffy, Duncan, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, Howard, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

HB 395 was passed and the title agreed to.

HB 263 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the Previous Question on **HB 263.** Agreed.

On the roll call the vote was yeas 33—Billington, Blue, Brand, Brizendine, Buckman, Duffy, Duncan, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, Howard, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Miller, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Van Hoose, Ware. Nays 0.

HB 263 was passed and the title agreed to.

HB 99 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator McGinty moved the Previous Question on **HB 99**. Agreed.

On the roll call the vote was yeas 33—Billington, Blue, Brand, Brizendine, Buckman, Duffy, Duncan, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

HB 99 was passed and the title agreed to.

HB 260 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the Previous Question on **HB 260**. Agreed.

On the roll call the vote was yeas 35—Billington, Blue, Brand, Brizendine, Buckman, Duffy, Duncan, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, Howard, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

HB 260 was passed and the title agreed to.

HB 164 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Nichols moved the Previous Question on **HB 164**. Agreed.

On the roll call the vote was yeas 33—Billington, Blue, Brizendine, Buckman, Duffy, Duncan, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, Howard, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

HB 164 was passed and the title agreed to.

HB 452 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the Previous Question on **HB 452**. Agreed.

On the roll call the vote was yeas 34—Billington, Blue, Brizendine, Buckman, Duffy, Duncan, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, Howard, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

HB 452 was passed and the title agreed to.

HB 508 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the Previous Question on **HB 508.** Agreed.

On the roll call the vote was yeas 33—Billington, Blue, Brizendine, Buckman, Duffy, Duncan, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Miller, Mobley, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 0.

HB 508 was passed and the title agreed to.

Report on Enrolled Bills

Committee on Enrollment reported that **HB 346, HB 493** had been examined and found correctly enrolled. **HB 346, HB 493** read at length, compared, and signed in open session by the President. Ordered delivered to the House.

Orders of the Day—Continued

HB 286 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 286.** Agreed.

On the roll call the vote was yeas 32—Billington, Blue, Brizendine, Buckman, Duffy, Duncan, Edwards, Engle, Fuqua, Gardner, Gay, Howard, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, Mann, McCann, McGinty, Miller, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 1—Mobley.

HB 286 was passed and the title agreed to.

HB 150 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the Previous Question on **HB 150.** Agreed.

On the roll call the vote was yeas 30—Billington, Blue, Brizendine, Buckman, Duffy, Duncan, Edwards, Engle, Fuqua, Garrett, Gay, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, McCann, McGinty, Miller, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 1—Mann.

HB 150 was passed and the title agreed to.

HB 330 taken from Orders of the Day and ordered read at length for the third time. Senator Gardner moved that it be read by title only. Agreed by a majority of members elected.

Senator Swope moved the Previous Question on **HB 330.** Agreed.

On the roll call the vote was yeas 31—Billington, Brizendine, Buckman, Duffy, Duncan, Edwards, Engle, Fuqua, Gardner, Garrett, Gay, Howard, D. Johnson, F. Johnson, Kelly, Kidwell, Kinkead, Kiser, Layne, McCann, McGinty, Miller, Newberry, Nichols, Palmer, Raybourne, Spence, Swope, Turner, Van Hoose, Ware. Nays 2—Mann, Mobley.

HB 330 was passed and the title agreed to.

Senator Swope moved the Senate to adjourn sine die. Said motion was seconded by Senator Duncan. Senator Swope's motion to adjourn sine die was lost by a voice vote.

Report on Enrolled Bills

Committee on Enrollment reported that **HB 99, HB 263, HB 383, HB 395, HR 51, HB 286, HB 330, HB 164, HB 150, HB 452, HB 508, HB 260** had been examined and found correctly enrolled. **HB 99, HB 263, HB 383, HB 395, HR 51, HB 286, HB 330, HB 164, HB 150, HB 452, HB 508, HB 260** read at length, compared, and signed in open session by the President. Ordered delivered to the House.

Senator Gardner moved, seconded by Senator Van Hoose that the Senate approve the Journal as of March 20. Agreed.

The President appointed a committee composed of Senators Fuqua, McGinty, Blue, Kidwell, Nichols and Edwards to serve with a like committee of the House to call upon the Governor to inform him that the House and Senate had completed their duties and are about to adjourn sine die.

After a time the committee returned and reported that the Governor had no further business.

The Journals of the Senate were read, compared and approved by the Senate.

Senator Gardner moved that the Senate adjourn sine die. Agreed.

The Senate adjourned sine die.

APPROVED:
Harry Lee Waterfield
President of the Senate

ATTEST:
John W. Willis
Chief Clerk of the Senate

VETO MESSAGES

(Spread Upon the Register of the Secretary of State After *Sine Die Adjournment*)

March 21, 1964

I am vetoing Senate Bill 33 because I have grave doubts as to the constitutionality of some of its provisions. Though I am in thorough accord with all efforts to improve the pension systems for policemen and firemen, and I have signed such bills at this session, I have doubt whether it is constitutionally permissible to allow 75% of the policemen and firemen in a municipality to impose a tax and appropriate public monies without the consent of the local legislative body.

S/ Edward T. Breathitt
Governor

March 21, 1964

I am vetoing Senate Bill 44 since this legislation would tend to shorten the school term.

S/ Edward T. Breathitt
Governor

March 21, 1964

I am vetoing Senate Bill 92 not because I disapprove its purpose and policy but because I believe it to be an invasion of the proper sphere of the Court of Appeals in promulgating and amending the Rules of Criminal Procedure. I, therefore, refer this measure to the Court of Appeals for its consideration, hoping that the members of the Court will bear in mind that this is a serious expression of policy by both houses of the General Assembly, without a single dissenting vote, and that the Governor thoroughly concurs in the sentiment expressed.

S/ Edward T. Breathitt
Governor

March 21, 1964

I am vetoing Senate Bill 106 for the following reasons:

(1) The bill is in conflict with federal regulations which require that eligibility decisions be made by a single state agency.

(2) The cost of presenting into court expert witnesses would be prohibitive to the applicant and the state.

(3) The present law protects the applicant by affording a referee hearing.

S/ Edward T. Breathitt
Governor

March 21, 1964

I am vetoing Senate Bill 115 for the following reasons:

(1) This legislation was offered in response to a very recent decision of the Court of Appeals which dealt with the Commonwealth's immunity from suit in an action based on contract. In its present form, this bill was written with a series of amendments to the bill first introduced. There has not been adequate study of all the complex factors which are involved. For more than 100 years the Fedreal government has been attempting to deal with these knotty problems. It seems clear to me that legislation in this area ought to be based upon complete study and research.

(2) I intend to ask our two law schools, the University of Kentucky and the University of Louisville, to make a detailed study of the policies and procedures which ought to be followed in handling contractual claims against the Commonwealth. On the basis of this study, I shall be in a position to make positive recommendations to the next General Assembly.

S/ Edward T. Breathitt
Governor

March 21, 1964

I am vetoing Senate Bill 156, which authorizes local boards of education to provide liability insurance for individual members of such boards. This bill, as originally introduced, would have served a legitimate purpose, but it was amended to remove all restrictions or limitations with respect to the type of insurance authorized. In its present form, the bill is entirely too vague and confusing in its terminology.

S/ Edward T. Breathitt
Governor

March 21, 1964

I am vetoing Senate Bill 193 because the bill would require unnecessary duplication of notification procedures. Trust indentures securing the bonds in question uniformly provide for notification prior to the redemption date.

S/ Edward T. Breathitt
Governor

March 21, 1964

I am vetoing Senate Bill 227 for the following reasons:

(1) Public institutions training retarded children receive state funds for the purchase of textbooks in their regular operating budget.

(2) No provision is made in the budget for purchase of textbooks for other schools serving the retarded and this bill carries no appropriation for that purpose.

S/ Edward T. Breathitt
Governor

March 21, 1964

I am vetoing Senate Bill 248 for these reasons:

(1) The bill effectively reduces the minimum wages for certain employees in the hotel, motel and restaurant industries.

(2) The new criteria for minimum wage standards provided in the bill will for all minimum wages require an interminable series of wage hearings and further prolonged litigation.

(3) Amendments offered to correct the minimum wage decrease and administrative problems obvious in the bill were rejected.

(4) Contrary to the widespread impression created, this bill would in no way affect the liability of employers for increased minimum wages incurred between the effective date of the present orders and the decision of the Court of Appeals upholding the orders.

In view of the difficulties which have arisen with respect to possible violations of the existing wage orders between August 1, 1962 and the mandate of the Court of Appeals on February 14, 1963, I have instructed the Commissioner of Labor to take no action for the enforcement of the orders, either by way of civil suits or criminal prosecutions for violations committed between the above dates. The orders will be strictly enforced from the date of the Court's mandate.

S/ Edward T. Breathitt
Governor

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HISTORY OF SENATE BILLS

Numbers refer to page of Senate Journal. The text of bill is given on 1st reading. The names of sponsors are in parentheses; when a bill has more than two sponsors only the first is listed in this history, but all sponsors are listed when a bill is introduced.

SB	1	Requiring safety belts on automobiles. (Mann)
SB	2	Reclassifying Lookout Heights from the sixth to the fifth class of cities. (Ware)
SB	3	Extending the authority of the State Property and Buildings Commission; extending authority of state agencies to expend for capital outlay. (Gardner)
SB	4	Authorizing expenditures of state funds for University of Louisville medical and dental schools. (Gardner)
SB	5	Providing for refunding of turnpike revenue bonds. (Gardner)
SB	6	Establishing formula for allocation of state funds for rural roads. (Kidwell and others)
SB	7	Reclassifying St. Regis Park from the sixth to the fifth class of cities. (McGinty)
SB	8	Amending the procedure for licensing of dentists; regulating the practice of dental hygiene. (Duffy and others)
SB	9	Providing for a bailiff for circuit courts of continuous session. (D. L. Johnson)
SB	10	Reclassifying Park Hills from the fifth to the fourth class of cities. (Ware)
SB	11	Creating two additional circuit judgeships in Jefferson County. (Duffy and others)
SB	12	Increasing compensation of circuit court jurors. (Mobley and others)
SB	13	Permitting local governments in counties with a city of the second class to regulate traffic and parking. (Kinkead)
SB	14	Reclassifying Muldraugh from the sixth to the fifth class of cities. (Buckman)
SB	15	Authorizing drivers instruction permits for 15 year olds. (McCann)
SB	16	Requiring state printer to furnish paper and printing supplies for state printing. (Duffy)
SB	17	Increasing compensation of election officers. (McCann)
SB	18	Authorizing retirement system for employees of combined electrical and water plant boards. (Edwards)
SB	19	Broadening the name of telephone cooperatives. (Newberry)

		Introduced	Referred	Reported	Readings			House Message	Enrolled	Other Action
					1st	2nd	3rd			
SB	1	22	49	99	99	108	125			125
SB	2	22		33	34	38	41	52	53	33
SB	3	33	49	60	60	70	86	161	168	86
SB	4	33	49	60	65	70	87	173	182	
SB	5	33	49	56	56	67	86	272	282	
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SB	8	38	49	71	72	90	125	212	272	108
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SB	10	41	49	679	682	707	786	1389	1435	
SB	11	43	49	65	65	70	90	1276	1435	
SB	12	43	49							
SB	13	49	51	99	99	108	114	272	282	114
SB	14	50	53							
SB	15	50	53	68						
SB	16	50	53	108	108	113	126	872		
SB	17	53	53	70						
SB	18	53	53	102	102	108	115	272, 756	788	279, 678
SB	19	53	53	102	103	108	115	285	657	

SB	20	Requiring fiscal courts to furnish United States and state flags for circuit court rooms. (Layne)
SB	21	Reclassifying Alexandria from the sixth to the fifth class of cities. (D. Johnson)
SB	22	Establishing 18 years of age as the age for determination of majority. (Brizendine)
SB	23	Providing for an Advisory Committee on Fiscal Affairs. (Kinkead and others)
SB	24	Requiring an arresting officer to inform motorist of offense. (Mobley)
SB	25	Prohibiting search of automobiles without a warrant. (Mobley)
SB	26	Providing license plates for members of national guard. (Gay)
SB	27	Providing adjudication for settlement and distribution of an estate. (Duffy)
SB	28	Providing attorney's fees for indigent defendants. Gay and others)
SB	29	Increasing annual sick leave for teachers. (Gay)
SB	30	Providing equal compensation and retirement for state police officers and radio dispatchers. (Gay)
SB	31	Increasing annual sick leave for teachers. (Gay)
SB	32	Specifying the authority of Legislative Research Commission for revision and publication of the Kentucky Revised Statutes. (Duffy and others)
SB	33	Authorizing pension funds for policemen and firemen in cities of the third class. (Kelly)
SB	34	Permitting, rather than requiring, Court of Appeals to award damages. (Ware)
SB	35	Providing for an assistant Commonwealth's Attorney in a one county judicial district. (D. L. Johnson and others)
SB	36	Setting qualifications for president of board of waterworks in city of first class. (Miller and others)
SB	37	Increasing from ten to fifteen miles the limits for extension of water systems by cities of the first class. (Miller and others)
SB	38	Redistricting the appellate court districts. (VanHoose)
SB	39	Authorizing local governments to set one day a week for businesses to close. (Kinkead)
SB	40	Requiring investigating officer to give a copy of accident report to operator of motor vehicles. (Swope)
SB	41	Increasing compensation of Commonwealth's Attorney; prohibiting his practice of law. (Mobley)
SB	42	Restricting speed of heavy trucks. (Mobley)

HISTORY OF SENATE BILLS

	Intro-duced	Referred	Reported	Readings 1st	Readings 2nd	Readings 3rd	House Message	Enrolled	Other Action
SB 20	56	67	108	109	113	127	756	788	
SB 21	56	67	679	683	707	786	1389	1435	787
SB 22	56	67	70	70	86	91	666	708	91, 677
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SB 24	56	67	113	113	125	132			132
SB 25	56	67	202	202	270	655			202
SB 26	56	67							
SB 27	56	67	124	124	130	154	1389	1435	
SB 28	59	88							
SB 29	59	88							
SB 30	60	88	266	267	276	689			268, 689
SB 31	60	88	111	111	125				111
SB 32	60	88	136	137	146	157	1457		
SB 33	60	88	679	683	707	753	1389	1435	686, 1390
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SB 35	60	88	604	608	662	747	1468	1471	609, 1468
SB 36	60	88							
SB 37	60	88	108	109	113	127	756	788	
SB 38	68	88	119						
SB 39	68	88							
SB 40	68	88	763	778	791	873	1445		780, 1450
SB 41	68	88							
SB 42	68	88	270	270	276				270, 726

SB 43	Prohibiting government workers from serving as election officers. (Mobley)
SB 44	Providing for ten calamity days in determination of school days under minimum foundation program. (Mobley and others)
SB 45	Providing for damage awards based on proportionate negligence. (Garrett)
SB 46	Setting John F. Kennedy Day, a legal holiday. (McCann)
SB 47	Authorizing cities to dispose of surplus property. (McGinty)
SB 48	Proposing a constitutional amendment to permit sheriffs to succeed themselves. (Buckman)
SB 49	Setting penalties for unfair and illegal labor practices. (Garrett)
SB 50	The Reviser of Statutes bill making technical changes in the KRS. (Ware)
SB 51	Enabling county judge to appoint two persons on board of waterworks of a city of the first class. (Miller and others)
SB 52	Authorizing the re-enumeration of the third and 31st senatorial districts. (Billington and others)
SB 53	Providing for emergency construction aid to school districts. (Layne and others)
SB 54	Authorizing a Board of Review in each county to review suspension of drivers' license. (Mann)
SB 55	Changing the Sunday closing law. (Buckman)
SB 56	Permitting Attorney General on request to conduct criminal investigation or proceedings. (Buckman)
SB 57	Extending authority of Department of Highway to do its own road construction or reconstruction work. (Garrett)
SB 58	Permitting highway equipment and school buses to use flashing lights; specifying authority of vehicles to pass school or church buses. (Palmer and others)
SB 59	Including rural roads, city streets in definition of roads for state road system purposes. (Garrett)
SB 60	Requiring employees to furnish statement of salary deductions. (Kiser and others)
SB 61	Providing minimum precautions for manholes. (Newberry)
SB 62	Setting a 40 hour workweek for county policemen. (Mccann and others)
SB 63	Vesting police powers in weights and measures inspectors. (Palmer and others)
SB 64	Increasing exemptions from garnishment. (Duffy and others)
SB 65	Regulating the practice of nursing. (Duffy)
SB 66	Limiting the number of General Assembly employees. (Duffy and others)

	Introduced	Referred	Reported	Readings			House Message	Enrolled	Other Action
				1st	2nd	3rd			
SB 43	68	88	558						
SB 44	68	88	205	205	270	663	1467	1471	663, 1470
SB 45	71	105							
SB 46	71	116							
SB 47	71	105	679	681	707	752	1389	1435	
SB 48	71	105	123	123	130	142			
SB 49	71	116							
SB 50	71	116	286	286	662	743			555
SB 51	87	105	118	118	130	140	756	788	
SB 52	87	105	119	119	130	141	272	282	
SB 53	89	105	206	206	270	725			209
SB 54	89	105	265	266	276	688			266
SB 55	89	105							
SB 56	89	105	119	120	130	141	872	984	872
SB 57	89	106	121	121	130	142	666	708	
SB 58	89	105	274	274	281	690	1389	1435	275
SB 59	89	106	121	122	130	153	666	708	677
SB 60	96	117							
SB 61	96	116							
SB 62	96	117							
SB 63	96	117	192						
SB 64	96	117							
SB 65	96	117	730	730	786				738
SB 66	96	117	130	130	140	154			

SB	67	Changing the Sunday closing law. (Garrett)
SB	68	Requiring eye protective devices in vocational workshops. (Buckman)
SB	69	Amending the Sunday closing law. (Brizendine)
SB	70	Enabling establishment of construction subdistricts within metropolitan sewer districts. (Miller and others)
SB	71	Providing KRS for members of General Assembly. (McGinty)
SB	72	Earmarking for education a part of occupational tax in county with city of first class. (McCann)
SB	73	Requiring one day a week rest period for employees. (Layne)
SB	74	Permitting membership retention in teachers' retirement system. (Gay)
SB	75	Providing for payment of teachers' salaries on 12-month basis. (Gay)
SB	76	Requiring substitute teachers to be certified as regular teachers. (Gay)
SB	77	Increasing compensation of county commissioners in county with city of second class. (Ware)
SB	78	Requiring persons who prepares instrument for recording to sign it. (Duffy)
SB	79	Restricting associations and corporations in practice of law. (Buckman)
SB	80	Allowing Department of Agriculture inspector to re-weigh tobacco. (Palmer)
SB	81	Permitting reciprocity in practice of law by nonresident. (Garrett)
SB	82	Prohibiting former felony conviction to be made known to a jury. (Garrett)
SB	83	Placing all job positions in the state system under the classified service. (Layne and others)
SB	84	Increasing salary of elected county officials to $9,600 maximum. (Garrett)
SB	85	Requiring appointed commissioners to view land to be condemned. (Buckman)
SB	86	Prohibiting carrying of concealed weapons. (McCann)
SB	87	Allowing circuit clerks $10 for services on an indictment. (Buckman)
SB	88	Prohibiting employment discrimination on basis of age. (McCann)
SB	89	Redefining wages for purposes of unemployment tax. (Gardner)
SB	90	Prohibiting arresting officer from towing away vehicle without permission. (Mobley)

HISTORY OF SENATE BILLS

	Introduced	Referred	Reported	Readings			House Message	Enrolled	Other Action
				1st	2nd	3rd			
SB 67	106	117							
SB 68	107	117	252	253	276	678			
SB 69	107	117	884	884	1039	1277			1277
SB 70	107	117	620	620	662	749	990	1067	
SB 71	107	116	136	136	146				157, 189
SB 72	108	117							
SB 73	108	116							
SB 74	108	117							
SB 75	108	117	203	204	270	688			663, 688
SB 76	108	117	203	203	270	663			
SB 77	108	117							
SB 78	110	127							
SB 79	110	127							
SB 80	110	127	156	156	164	171	1445	1457	156, 171
SB 81	110	127	604	607	662				
SB 82	110	127	604	606	662	1098			
SB 83	110	127							
SB 84	110	127	183	184	270	652	1276	1435	1391
SB 85	110	127	794	797	871				798
SB 86	110	127	571						
SB 87	120	133	183	183	270	277			
SB 88	120	133	558	559	662	728			728
SB 89	120	133	252	254	276	679			
SB 90	120	133	609	610	662	748			609

SB 91	Prohibiting police officer from removing motor vehicle without consent of owner. (Mobley)
SB 92	Requiring jailers to permit an arrested person one telephone call. (Garrett)
SB 93	Changing the number of acts and journals to be printed. (F. Johnson and others)
SB 94	Changing provisions relating to countersigning by resident and nonresident insurance agents. (Billington and others)
SB 95	Specifying provisions to be contained in vehicle liability insurance policies. (Kinkead and others)
SB 96	Divesting Commonwealth of immunity in contract disputes. (Buckman)
SB 97	Requiring political advertisements and circulars to be signed. (Howard and others)
SB 98	Amending the uniform commercial code to permit attorney fee under definition of a sum certain. (Howard)
SB 99	Requiring the circuit judge to appoint counsel for indigent defendants; setting compensation. (Howard)
SB 100	Requiring fiscal court approval for Department of Highways force account work. (Howard and others)
SB 101	Setting formula for return of premiums of cancelled insurance policies. (Mobley)
SB 102	Permitting judge of a multi-county circuit to appoint commissioner for pre-trial conferences. (Mobley)
SB 103	Setting compensation of master commissioners. (Mobley)
SB 104	Requiring insurance companies to pay indemnities directly to the insurer. (Mobley)
SB 105	Increasing grants to students in occupational qualification development programs. (Garrett)
SB 106	Authorizing circuit court to review findings of public assistance appeal boards. (VanHoose)
SB 107	Permitting salary payment of prosecuting attorney in cities of third class. (Layne and others)
SB 108	Authorizing fiscal court to regulate licensees for determination of occupational license taxes. (Duffy and others)
SB 109	Requiring fiscal court to reimburse estate of deceased sheriff. (Blue)
SB 110	Permitting absentee voting by hospitalized voter. (Buckman)
SB 111	Authorizing creation of fire protection districts on petition of 75 freeholders. (Palmer)
SB 112	Excepting from license requirements auctioneer at purebred, 4-H, and FFA livestock sales. (Edwards)
SB 113	Authorizing Commissioner of Highways to regulate traffic on city streets. (Bonn)
SB 114	Decreasing interest rates of petty loan companies. (Mobley)

	Intro-duced	Referred	Reported	Readings			House Message	Enrolled	Other Action
				1st	2nd	3rd			
SB 91	120	133	609	611	662	748			
SB 92	120	133	604	606	662	746	1389	1435	
SB 93	129	153	189	191	270	654			
SB 94	129	153	168, 658	168, 661	180, 677	987			210, 661
SB 95	129	153	694	694	724				697, 792
SB 96	129	153	884	976	1039				1189
SB 97	130	153							
SB 98	130	153							
SB 99	130	153							
SB 100	130	153							
SB 101	130	153							
SB 102	130	153							
SB 103	130	153	611						
SB 104	130	153							
SB 105	136	153	203	204	270				724
SB 106	136	153	252	252	276	678	1389	1435	
SB 107	136	153	279	279	650	744	1467	1468	726
SB 108	136	153	794	810	871	986	1445	1457	986
SB 109	136	153	174	174	209	271	872	984	
SB 110	145	158	558	564	662				
SB 111	145	159	183	183	270				
SB 112	145	159	722	722	786	989	1445	1457	
SB 113	146	159	170	170	180	210	793	794	
SB 114	155	159	1195	1247	1267				

SB 115	Divesting the Commonwealth of immunity in contract suits. (Ware)
SB 116	Increasing time for filing workmen's compensation claim for radiation injury. (Buckman)
SB 117	Changing the Sunday closing law. (Buckman)
SB 118	Specifying procedure for candidates to agree upon selection of precinct challengers. (Mobley)
SB 119	Making newspapers liable for defamatory statements; providing for a newspaper correction of statements. (Kinkead and others)
SB 120	Providing for the licensing of historical vehicles. (Billington)
SB 121	Requiring utility commission in city of second or third classes to follow specified procedure on rates and employment of personnel. (Blue)
SB 122	Including nursing homes in definition of city and county hospitals. (D. Johnson)
SB 123	Requiring principal and interest on local government bonds to be payable without service charge deduction. (Bonn)
SB 124	Prohibiting conditional sales from requiring insurance coverage by specific company. (Bonn)
SB 125	Changing qualifications of urban services director; requiring 10 square miles in a district. (McGinty and others)
SB 126	Permitting cooperative public agency contracts to be interstate; specifying financing agreement for cooperative cost sharing. (McGinty and others)
SB 127	Increasing the requirements necessary for incorporation of a city. (McGinty and others)
SB 128	Permitting public school teachers to conduct prayer. (Spence and others)
SB 129	Making all public employees eligible for social security. (Gay)
SB 130	Prohibiting local school superintendents or board members from employing relatives. (Gay)
SB 131	Making November election day a legal holiday. (Gay)
SB 132	Withdrawn
SB 133	Changing Department of Conservation to Department of Natural Resources. (Cobb)
SB 134	Authorizing special assessment for watershed conservancy districts. (Kelly)
SB 135	Redefining landowner in a soil conservation district; changing procedures relating to districts. (Kelly)
SB 136	Establishing a Division of Flood Control and Water Resources in the Department of Conservation. (Raybourne and others)

	Introduced	Referred	Reported	Readings			House Message	Enrolled	Other Action
				1st	2nd	3rd			
SB 115	155	159	763	763	791	1189	1457	1462	1189, 1459
SB 116	155	159							
SB 117	155	159							
SB 118	156	158							
SB 119	156	159	202	202	270	656	1389	1435	
SB 120	156	159							
SB 121	156	159	169	169	180	210	756	788	
SB 122	156	159							
SB 123	156	159	679	682	707	788			
SB 124	156	159	658	658	677	751			659
SB 125	163	180	992	1020	1091	1388	1467	1468	
SB 126	163	180	992	1022	1091	1388	1467	1468	
SB 127	163	180							
SB 128	163	180	697	698	724	1048			
SB 129	163	180							
SB 130	163	180	697	698	724				
SB 131	163	180							
SB 132	163								180
SB 133	163	181	192	199	270	655	1445	1457	
SB 134	163	181	192	197	270	654	1445	1457	
SB 135	163	181	192	192	270	654	1445	1457	
SB 136	163	181	252	260	276	687	1389	1435	

SB 137	Defining county roads. (Duffy and others)
SB 138	Increasing compensation of Planning and Zoning Commission in cities of first class and in counties with cities of the first class. (Miller and others)
SB 139	Making building and loan associations subject to regulations governing legal holidays. (Miller and others)
SB 140	Requiring meetings of government agencies to be made public. (McCann)
SB 141	Restricting the speed of heavy trucks. (Nichols)
SB 142	Permitting mayors of cities of third class to serve more than two terms. (Nichols)
SB 143	Exempting railroads and public utility corporations from filing a financing statement under specified conditions. (Garrett)
SB 144	Requiring cities to notify licensees of new or increased city motor vehicle license tax. (Edwards)
SB 145	Permitting Kentucky Educational Authority to combine offices of Secretary and Treasurer with other offices. (Buckman)
SB 146	Extending annexation authority of cities of the second class. (Kinkead and others)
SB 147	Increasing tax levied by county judge in misdemeanor cases. (Raybourne and others)
SB 148	Reclassifying Shively from the fourth to the third class of cities. (Layne and others)
SB 149	Authorizing conversion of a mutual insurer to a stock insurer. (Billington)
SB 150	Impowering circuit judges to solemnize marriages. (D. Johnson)
SB 151	Increasing renewal license fees of embalmers and funeral directors. (Engle)
SB 152	Permitting a hotel or motel within a county park. (D. Johnson)
SB 153	Reducing to one year the period for state lien on property of sheriff. (Mobley)
SB 154	Creating an Elevator Safety Board. (McCann)
SB 155	Increasing teachers' salaries by flat amount. (VanHoose)
SB 156	Enabling boards of education to carry liability insurance against negligence of board members. (Gardner and others)
SB 157	Requiring parent or guardian to make bond for good conduct of a delinquent child. (Buckman)
SB 158	Requiring action within five years for claims against home building or improver. (Buckman)

	Intro-duced	Referred	Reported		Readings		House Message	Enrolled	Other Action
				1st	2nd	3rd			
SB 137	163	181	250	251	276	724	1389	1435	664
SB 138	163	181	679	686	707	788	1389	1435	
SB 139	164	180							
SB 140	164	180							
SB 141	167	181							
SB 142	167	181	679	682	707	985	1389	1435	
SB 143	167	181	268	268	276	689	1445	1457	270, 689
SB 144	168	181	763	764	791	874	1459	1462	
SB 145	168	180	992	1027	1091	1105	1459	1462	
SB 146	168	181	709	709	786	985			711
SB 147	168	180	611	611	662	1191			
SB 148	168	181	884	969	1039	1106			
SB 149	168	181	658	659	677	751			
SB 150	168	180							
SB 151	168	180	279	280	650	727	1457	1459	
SB 152	168	180	825	868	984	1040	1445	1457	
SB 153	173	211							
SB 154	173	211							
SB 155	173	211	794	802	871				
SB 156	173	211	697	697	724	793	1457	1462	1458
SB 157	173	211	730	741	786	1096	1457	1459	
SB 158	173	211	604	605	662	748	1457	1459	

SB 159	Prohibiting sale of agricultural products by the Department of Fish and Wildlife Resources. (Billington and others)
SB 160	Including federally defined net operating loss deduction in state tax provision. (F. Johnson)
SB 161	Establishing a county jail building fund for construction of jail in county with a city of the first class. (McGinty and others)
SB 162	Increasing weight limit on farm trucks. (Nichols)
SB 163	Creating an Advisory Board for the Department of Conservation. (Cobb and others)
SB 164	Authorizing county judge to work prisoners on private projects. (Gay)
SB 165	Adding county jail prisoners to statutory restrictions on confined prisoners. (Gay)
SB 166	Providing monthly expense accounts for justices of the peace. (Gay)
SB 167	Requiring notification to operators of drivers license. (Mann)
SB 168	Specifying procedure to be taken by Commonwealth on appeals; specifying procedure to be taken by cities on appeals from invalidation of an ordinance. (Buckman)
SB 169	Creating a State Board of Registration for Professional Land Surveyors. (Fuqua and others)
SB 170	Requiring vehicle registration receipts to contain name and address of secured party. (Garrett)
SB 171	Increasing annual sick leave for teachers. (Gay)
SB 172	Increasing annual sick leave for teachers. (Gay)
SB 173	Authorizing local boards of education to provide for a four-quarter school year. (Gay)
SB 174	Increasing a maximum lien for rental of equipment or machinery. (Miller and others)
SB 175	Providing an annual salary for police judges in cities of the third class. (Kelly)
SB 176	Specifying police court jury selection procedure in a city of the third class. (Kelly)
SB 177	Providing for replevy of jail fine. (Kelly)
SB 178	Requiring all employers to pay wages semi-monthly. (Nichols)
SB 179	Requiring nonresident insurance agents and brokers to state Kentucky premiums and commissions. (Billington)
SB 180	Requiring posting of bond by entertainment booking agents. (Buckman)
SB 181	Changing membership of State Board of Elections. (Kinkead)

	Introduced	Referred	Reported	Readings			House Message	Enrolled	Other Action
				1st	2nd	3rd			
SB 159	173	211	281	281	650	988			
SB 160	173	211							
SB 161	173	211	794	806	871	986	1445	1457	
SB 162	174	211							
SB 163	182	278	693	693	724	791	1389	1435	
SB 164	182	278	611						
SB 165	182	278	825	826	984	1044			
SB 166	182	278							
SB 167	182	278							
SB 168	182	278	604	604	662	791	1389	1435	
SB 169	182	278	571	592	662	745			599, 745
SB 170	182	278	763	780	791				
SB 171	213	278							
SB 172	213	278							
SB 173	213	278	697	698	724	1106			
SB 174	213	278	763	778	791	875	1467	1468	
SB 175	213	278	763	776	791	872	1389	1435	1391
SB 176	213	278	763	777	791	872	1389	1435	
SB 177	213	278	794	819	871	1098			
SB 178	273	284	699	699	724				
SB 179	273	284							
SB 180	273	284	1107	1185	1189				
SB 181	273	284	558	559	662				564

SB 182	Requiring nonresident life and disability insurance agents to place business through local agents. (Billington)
SB 183	Creating Medical Post-Mortem Examination Section in Department of Health. (McCann and others)
SB 184	Requiring distribution to counties of one-sixth of state sales tax revenue. (Howard and others)
SB 185	Restraining sale of indecent publications and films. (Layne and others)
SB 186	Setting penalty for illegal campaign contributions. (Layne)
SB 187	Requiring coroner to take possession of articles to assist in establishing the cause of death. (Raybourne and others)
SB 188	Increasing fees collected by notaries public. (Buckman)
SB 189	Requiring purchaser of motor vehicles to apply for certificate of ownership within five days. (Layne)
SB 190	Requiring safety inspection of motor vehicles. (Kinkead)
SB 191	Prohibiting discrimination in employment because of sex. (Kiser and others)
SB 192	Amending the Constitution to provide for appointment of State Superintendent of Public Instruction. (Spence)
SB 193	Specifying procedure for school district redemption of bonds before maturity. (Bonn)
SB 194	Enacting a public accommodation law. (Kinkead)
SB 195	Requiring proof of liability insurance coverage prior to issuance of motor vehicle operators license. (Mann)
SB 196	Permitting facsimile signature on corporation stock certificates. (Nichols)
SB 197	Locating situs of intangible property for tax purposes. (Nichols)
SB 198	Prohibiting voting of shares by bank or trust company acting as trustee under specified conditions. (Nichols)
SB 199	Prohibiting invalidation of trust because of reservation of income for life of grantor. (Nichols)
SB 200	Requiring all traffic control devices to conform to Department of Highway regulations. (Kinkead)
SB 201	Requiring motor vehicle dealers and salesmen to have fixed place of business within the state. (Brizendine and others)
SB 202	Reducing to 16 years of age the exclusive jurisdiction of the juvenile court. (Buckman)
SB 203	Authorizing operation of city buses in unincorporate areas of county with city of first class. (McGinty and others)
SB 204	Changing membership of the Board of Trustees of a fire protection district. (Ware)
SB 205	Permitting motor carrier to pay percentage of taxes based on percentage of time doing business in state. (Newberry and others)

	Intro-duced	Referred	Reported	Readings			House Message	Enrolled	Other Action
				1st	2nd	3rd			
SB 182	279	284							
SB 183	279	284							
SB 184	279	284							
SB 185	279	284	992	1026	1091				
SB 186	279	284							
SB 187	279	284	1069	1069	1102	1191	1468	1471	1191
SB 188	285	664							
SB 189	286	664							
SB 190	286	664							
SB 191	653	664							
SB 192	657	664							
SB 193	657	664	1049	1060	1091	1104	1459	1462	
SB 194	657	664	701	701	728				
SB 195	657	664							
SB 196	666	707	825	860	984	1041	1389	1435	
SB 197	666	707	825	861	984	1041	1389	1435	1041
SB 198	666	707	723	723	786	1041			1042
SB 199	666	707	825	861	984	1042	1457	1459	1042
SB 200	666	707							
SB 201	667	707	825	862	984	1275	1467	1467	
SB 202	667	707							
SB 203	667	707	794	818	871				
SB 204	667	707	763	772	791	988	1389	1435	
SB 205	692		763	770	791				

SB 206	Requiring registration of Kentucky based aircraft. (Kinkead)
SB 207	Changing membership of Industrial Development Finance Authority; making it an independent agency. (Gardner)
SB 208	Changing appointment and fee provisions for notaries public. (Buckman)
SB 209	Removing capital stock as only security necessary for bank or trust company. (Buckman)
SB 210	Limiting to five years the period for damage suit for recovery against home builders. (Buckman)
SB 211	Permitting females at the bar. (Buckman)
SB 212	Amending the Uniform Commercial Code by incorporating 1962 amendments of National Commissioners on Uniform State Laws. (Howard and others)
SB 213	Enabling Commissioner of Mental Health to make grants for local mental health programs. (Garrett)
SB 214	Permitting fiscal court of county with a city of the first class to establish a "county through road system". (McGinty and others)
SB 215	Requiring election of police judge and city attorney in cities of the fourth class. (VanHoose)
SB 216	Authorizing establishment of area planning commission. (Howard)
SB 217	Making substantive changes in the planning and zoning laws. (Kinkead)
SB 218	Requiring applicant for real estate brokers license to be a licensed salesman. (D. Johnson)
SB 219	Increasing the mileage allowance for state employees. (Gay)
SB 220	Permitting the county court to require additional sheriff's bond. (Kinkead)
SB 221	Permitting all sheriffs to receive advancements from the State Treasurer. (Kinkead)
SB 222	Permitting Department of Library funds to be expended for equipment and buildings; providing for county participation in state library service program. (Kelly)
SB 223	Amending the Constitution to permit lotteries. (McCann and others)
SB 224	Adding to excused school attendance, one day for State Fair. (Palmer and others)
SB 225	Prohibiting physician from divulging confidential information. (McCann and others)
SB 226	Requiring the Department of Military Affairs to accept workmen's compensation. (Turner)

	Intro-duced	Referred	Reported	Readings			House Message	Enrolled	Other Action
				1st	2nd	3rd			
SB 206	692								
SB 207	692		825	838	984	1040	1421	1435	
SB 208	692		1107	1184	1189	1276			1185
SB 209	692								
SB 210	692		884	979	1039				
SB 211	692		825	826	984	1047			
SB 212	692		992	993	1091	1279	1467	1467	
SB 213	708		763	773	791	871	1389	1435	
SB 214	709		794	811	871	987	1421	1435	
SB 215	743		825	868	984	1045			1045
SB 216	743		884	887	1039				
SB 217	743		884	893	1039				
SB 218	755								
SB 219	762								
SB 220	762		884	916	1039	1092	1459	1462	
SB 221	762		884	917	1039	1092	1459	1462	
SB 222	762		794	820	871	1042			
SB 223	762		884	980	1039				
SB 224	762		794	805	871	987	1445	1457	
SB 225	790		825	869	984				
SB 226	790		884	974	1039	1192			

SB 227	Permitting state textbook purchases for students in schools for mentally retarded. (Miller and others)
SB 228	Requiring quantity sheets as part of construction contract of sanitation districts. (Kiser)
SB 229	Providing for a vote on the calling of a constitutional convention. (Gardner)
SB 230	Limiting actions against governmental units for damages resulting from airport operations; permitting Department of Aeronautics to issue bonds and borrow money. (Ware)
SB 231	Requiring sheriffs to execute and make due return on all processes. (Ware)
SB 232	Requiring University of Kentucky Board of Trustees to compensate all positions filled by the Board; permitting retirement system for employees. (Gardner)
SB 233	Regulating licensing and use of nuclear energy material. (Gardner)
SB 234	Changing Atomic Energy Authority to Kentucky Science and Technology Commission; changing membership; specifying authority of the Commission; granting funds for research. (Gardner)
SB 235	Specifying procedure for annexation by cities of the fourth class. (VanHoose)
SB 236	Requiring governor on vehicles operated by any person under the age of 18. (McCann)
SB 237	Requiring compensation for use of private homes as voting precincts. (McCann)
SB 238	Authorizing payment of state employees each two weeks. (Edwards)
SB 239	Specifying process against resident leaving the state following an accident. (D. Johnson)
SB 240	Permitting police judges in cities of second class to appoint a court reporter. (D. Johnson)
SB 241	Permitting county with city of the second through the fifth class to operate nursing homes. (D. Johnson)
SB 242	Creating state sweepstakes commission. (McCann)
SB 243	Creating Board of Electrical Examiners in the Department of Public Safety; defining "electrical inspector". (Gardner and others)
SB 244	Changing the basic law governing savings and loan associations. (Howard and others)
SB 245	Providing for Commissioner of Revenue's appointment of county tax commissioners. (Garrett)
SB 246	Prohibiting shipment of inflammable motion picture films. (Spence and others)

	Intro-duced	Referred	Reported	Readings 1st	Readings 2nd	Readings 3rd	House Message	Enrolled	Other Action
SB 227	790		884	970	1039	1106	1457	1462	1459
SB 228	790								
SB 229	790		825	828	984	1043	1421	1435	
SB 230	790		825	847	984	1096	1445	1457	1096
SB 231	790		825	870	984	1048			
SB 232	790		825	839	984	1098	1421	1435	
SB 233	790		825	840	984	1276			1276
SB 234	790		825	829	984	1193			
SB 235	824		884	972	1039				
SB 236	824								
SB 237	824								
SB 238	824		884	971	1039	1099	1457	1459	
SB 239	824								
SB 240	824		884	885	1039	1279	1467	1468	
SB 241	824								
SB 242	824								
SB 243	824		884	969	1039	1092	1457	1459	
SB 244	873		884	927	1039	1093	1445	1457	1093
SB 245	873								
SB 246	883		1049	1058	1091	1192			

SB 247	Prohibiting any person from acting as a debt adjustor. (Garrett and others)
SB 248	Amending the minimum wage law to include specified gratuities received by employees in definition of wage. (Duffy and others)
SB 249	Deleting requirement that State Veterinarian be a five year practitioner. (Kelly)
SB 250	Increasing workmen's compensation benefits. (Gardner and others)
SB 251	Creating public assistance burial fund. (McCann)
SB 252	Instructing drilling and reopening oil or gas wells near another operating well. (Newberry)
SB 253	Regulating and giving and accepting of political contributions. (Howard)
SB 254	Requiring periodic examination of engineers as condition for licensing. (VanHoose and others)
SB 255	Including chiropractic treatment under the Workmen's Compensation Act. (Mann and others)
SB 256	Increasing unemployment compensation benefits. (Kiser)
SB 257	Changing tax provisions relating to workmen's compensation subsequent claim fund. (Ware)
SB 258	Increasing fees for issuance of drivers' instruction permits. (VanHoose)
SB 259	Setting annual compensation of elected county officers at $9,600. (VanHoose)
SB 260	Requiring that planning and zoning regulations be adopted by the fiscal court in counties containing a city of the sixth class. (Blue and others)
SB 261	Including service in armed forces in period of service for state employees' retirement system. (Edward and others)
SB 262	Requiring mayor of city of the first class to test flood wall equipment. (McCann and others)

HISTORY OF SENATE BILLS

	Intro-duced	Referred	Reported	Readings			House Message	Enrolled	Other Action
				1st	2nd	3rd			
SB 247	884		1049	1050	1091	1105			1105
SB 248	884		1049	1049	1091	1104	1463	1464	
SB 249	884		1049	1064	1091				
SB 250	992	1091	1107	1159	1189				1184
SB 251	992	1091							
SB 252	992		1049	1060	1091				
SB 253	992	1091							
SB 254	992		1049	1059	1091				
SB 255	992	1091	1107	1107	1189				
SB 256	992	1091							
SB 257	1045	1091	1107	1111	1189				
SB 258	1069								
SB 259	1069								
SB 260	1069		1195	1246	1267	1388	1459	1462	
SB 261	1103								
SB 262	1103								

HISTORY OF SENATE RESOLUTIONS

Numbers refer to page of Senate Journal. Text of resolution is given on first reading or adoption. Joint resolutions are designated SJR; concurrent resolutions are designated SCR.

SR	1	Adopting permanent rules for the Senate. (Gardner)
SR	2	Declaring a period of mourning for Broadus E. Hickerson. (Gardner)
SR	3	Providing for a committee to notify the House of Representatives and the Governor that the Senate is organized and to wait upon the Governor. (Gardner)
SR	4	Extendiing an invitation to the pastors of Frankfort churches to open sessions of the Senate with prayer. (Gardner)
SR	5	Designating Senator Alvin Kidwell as Dean of the Senate. (Gardner)
SCR	6	Adjorning from January 8 to January 13. (Gardner)
SCR	7	Providing for committee to inspect Governor's and Lieutenant Governor's mansions. (Gardner)
SCR	8	Inviting Senator Clinton Anderson to address a joint session. (Kinkead and others)
SCR	9	Designating the sixtieth legislative day for the 1964 Regular Session. (Gardner)
SCR	10	Expressing appreciation to Stauffer's Inn, Louisville. (McCann)
SCR	11	Inviting a tobacco industry representative to address the General Assembly. (Spence)
SCR	12	Establishing a committee to conduct seminars on citizens' political responsibilites. (Layne)
SCR	13	Pettioning Congress to call a convention to propose a constituoianl amendment on lection of the President and Vice President. (Kelly and others)
SR	14	Requesting a re-evaluation of the School Minimum Foundation Program. (Layne and others)
SR	15	Directing the Legislative Research Commission to study public utility districts. (VanHoose and others)
SCR	16	Commending former Governor Bert T. Combs for receiving the Joseph P. Kennedy, Jr., award. (McCann)
SR	17	Requesting carpeting of the Senate gallery. (Gardner)
SR	18	Limiting personal contributions by Senators. (McCann)
SCR	19	Requesting printing of the Legislative Record in green ink on March 17. (Mobley)
SR	20	Establishing a committee to investigate Kentucky Village. (VanHoose)
SCR	21	Adjourning from February 11 to February 17. (Howard)

	Introduced	Referred	Reported	Readings		Adopted	House Message	Enrolled	Other Action
				1st	2nd				
SR 1	5					19			
SR 2	19					20			
SR 3	20					21			
SR 4	21					21			
SR 5	37					38			
SCR 6	38					38	38		
SCR 7	42					43	55		
SCR 8	43					43	55		
SCR 9	48					48	96		
SCR 10	48					49	96		
SCR 11	52					53	68		
SCR 12	71	105	110	110	125				146
SCR 13	87	105	558	570	662	744	1101		571
SR 14	90					144			
SR 15	107								
SCR 16	129					129	146		
SR 17	134					134			
SR 18	134								135
SCR 19	145					145			
SR 20	155								155
SCR 21	155					155	161		

SR	22	Conveying regret for specified Senate proceedings. (Buckman)
SR	23	Recognizing Youth Speak's Friendship Exchange program. (Duffy)
SR	24	Requesting Governor to reschedule budget expenditures. (Layne and others)
SJR	25	Authorizing appropriation to estate of Betty Sue Hibbitts. (Spence and others)
SCR	26	Requesting automobile industry to incorporate safety devices in cars. (Kinkead)
SCR	27	Welcoming Miss Jean Thomas. (Kinkead)
SCR	28	Commemorating the memory of Addison Everett. (Kelly)
SCR	29	Urging federal appropriation for flood control projects. (Gay and others)
SR	30	Commending Cassius M. Clay. (McCann and others)
SR	31	Extending thanks to University of Louisville. (Duffy and others)
SJR	32	Making appropriation for the Civil Air Patrol. (Buckman)
SR	33	Urging spedey development of the Between-the-Lakes area. (Garrett)
SR	34	Requesting an investigation of mineral holdings. (Spence)
SCR	35	Convening a joint session to hear address of Senator Clinton Anderson. (Kinkead)
SCR	36	Directing Legislative Research Commission to study operation of Appalachian Regional Hospitals. (Howard)
SR	37	Requesting an extension of the driver licensing period. (VanHoose)
SCR	38	Declaring legislative policy of not proposing constitutional amendments at the 1964 Regular Session. (Gardner)
SR	39	Congratulating Kiwanis International for the Capitol Prayer Room. (F. Johnson and others)
SCR	40	Directing a special Legislative Research Commission subcommittee to investigate welfare institutions. (VanHoose)
SR	41	Declarng opposition to abandonment of Guantanamo Air Base. (Miller and others)
SR	42	Requesting federal assistance for flood relief in Jefferson County. (Layne and others)
SJR	43	Ordering installation of a roll-call system in the Senate. (Gardner)
SCR	44	Directing Legislative Research Commission and Department of Finance to renovate the fourth floor of the Capitol. (VanHoose)
SR	45	Petitioning for federal flood control on the Salt River. (Buckman)

	Intro-duced	Re-ferred	Re-ported	Readings 1st	Readings 2nd	Adopted	House Message	Enrolled	Other Action
SR 22	166								166
SR 23	166					166			
SR 24	167								167
SJR 25	174	211	794	794	871	1040	1463	1463	
SCR 26	212					213	1101		
SCR 27	213					213	693		
SCR 28	273					273			
SCR 29	285					285			
SR 30	286					286			
SR 31	657					658			
SJR 32	692		825	870	984				
SR 33	692					693			
SR 34	693					726			693
SCR 35	708					708	1101		
SCR 36	728					729	1101		
SR 37	746					747			
SCR 38	790		825	827	984	1043	1421	1435	
SR 39	882					882			
SCR 40	882					883			
SR 41	883					883			
SR 42	990					991			
SJR 43	991								
SCR 44	991					991	1389		
SR 45	991					992			

SR	46	Petitioning Congress to propose a constitutional amendment on prayer in schools. (Nichols and others)
SR	47	Honoring Julian P. VanWinkle, Sr. (McCann and others)
SR	48	Urging federal flood control projects on the Kentucky, Big Sandy and Cumberland Rivers. (Mobley)
SR	49	Withdrawn
SR	50	Requesting rescheduling of highway bid opening. (D. Johnson)
SR	51	Commemorating birthday of John Fitzgerald Kennedy. (McCann)
SR	52	Directing Legislative Research Commission to study recording of official documents. (Billington)
SCR	53	Drecting the Legislative Research Commission to study an interstate compact for strip mining. (Gardner)
SR	54	Honoring Senator Marvin Edwards. (Layne)
SR	55	Recognizing Bob Brizendine. (Ware)
SCR	56	Designating American Association of School Administrators' Centennial Year. (Billington)
SR	57	Directing Legislative Research Commission study of drug laws. (Edwards)
SR	58	Directing Legislative Research Commission study of motor vehicle inspection law. (Kinkead)
SR	59	Requesting local officials to enforce Sunday Closing Law. (Brizendine)
SR	60	Honoring Senator Pleaz Mobley. (McCann)
SR	61	Ordering the enforcement of the Sunday Closing Law on state facilities. (McGinty)
SR	62	Commending the President of the Senate. (Kelly)
SR	63	Requesting investigation of Tennessee arrests of Kentucky motorists. (Billington and others)
SR	64	Granting additional compensation to General Assembly employees. (Mobley)
SR	65	Directing Legislative Research Commission to study sale of agricultural products produced on tax exempt land. (Newberry)
SR	66	Declaring the intent of the Senate on House Bill 1. (Nichols)
SR	67	Directing a cost study of state planning services. (Howard)
SR	68	Extending condolences to Wilson W. Wyatt. (McCann)
SR	69	Recommending appointment of Adron Doran to Commission on Higher Education. (Kelly and others)

	Intro-duced	Re-ferred	Re-ported	Readings 1st	Readings 2nd	Adopted	House Message	Enrolled	Other Action
SR 46	1068					1069			
SR 47	1100					1101			
SR 48	1101					1102			
SR 49	1102								1102
SR 50	1103					1104			
SR 51	1187					1187			
SR 52	1187					1188			
SCR 53	1278					1273	1463		
SR 54	1273					1274			
SR 55	1384					1385			
SCR 56	1385					1385			
SR 57	1420					1421			
SR 58	1432					1432			
SR 59	1433								1433
SR 60	1433					1433			
SR 61	1433					1434			
SR 62	1445					1445			
SR 63	1445					1446			
SR 64	1446								1446
SR 65	1446					1447			
SR 66	1447					1448			
SR 67	1448					1449			
SR 68	1449					1449			
SR 69	1449					1450			

SR 70 Requesting modernization of U. S. Highway 25E between Corbin and Middlesboro. (Howard)

SR 71 Granting additional compensation to Senate employees. (Mobley)

SR 72 Extending congratulations to the College of the Bible. (Cobb and others)

SR 73 Establishing a General Assembly flower fund. (Blue)

		Introduced	Referred	Reported	Readings		Adopted	House Message	Enrolled	Other Action
					1st	2nd				
SR	70	1450					1450			
SR	71	1450								1450
SR	72	1465					1466			
SR	73	1466					1466			

HISTORY OF HOUSE BILLS

Numbers refer to page of Senate Journal. The text of bill is given on 1st reading.

HB	1	Establishing new procedures for state purchasing.
HB	2	Changing Kentucky depreciation allowances for taxable income to conform to Internal Revenue Code.
HB	3	Establishing the State Board of Tax Appeals; providing procedures for appeals in tax matters.
HB	4	Specifying court procedures for support of illegitimate children; based on Uniform Act on Paternity.
HB	5	Prohibiting unauthorized disposition of state or federally provided commodities for the indgent.
HB	10	Permtting building of vocational schools in specified counties.
HB	11	Increasing the number of days retired teachers may do substitute teaching.
HB	12	Preserving residency of voters moving from precincts within the county.
HB	15	Reclassifying Cold Spring from the sixth to the fifth class of cities.
HB	16	Permitting cities of the third class to provide for municipal colleges.
HB	20	Authorizing all cities to claim abandoned cemetery property.
HB	22	Changing voters' registration requirements.
HB	27	Requiring Board of Education candidates to file with the county clerk.
HB	35	Permitting teachers to retire sixty days after filing applications.
HB	38	Extending motor vehicle operator's license period for members of armed services.
HB	39	Creating Constitution Revision Assembly.
HB	40	Requiring circuit judges to report on use of jury panels.
HB	42	Changing the time for the polls to be open.
HB	43	Relieving physician from civil damages for emergency services.
HB	44	Reclassifying Muldraugh from the sixth to the fifth class of cities.
HB	45	Increasing the minimum school term.
HB	46	Repealing the open season for hunting of game.
HB	47	Permitting registration of purged voter.
HB	48	Specifying the work week for firemen in cities of the first class.
HB	52	Making comprehensive changes with respect to employment, tenure, and contract of teachers.

	House Message	Referred	Reported	Readings 1st	Readings 2nd	Readings 3rd	Enrolled	Other Action
HB 1	118	133	174	174	209	276	283	
HB 2	86	105	794	799	871	1434	1453	
HB 3	882	1091	1107	1126	1189	1389	1467	1152
HB 4	272	284	794	795	871	1047	1107	
HB 5	285	664	794	799	871	1046	1193	799, 1046, 1067
HB 10	42	49	111	112	125	131	154	131
HB 11	882	1091						
HB 12	1274							
HB 15	96	117	679	680	707	876	1107	876
HB 16	96	117	667	667	707			
HB 20	118	133	183	187	270	653	757	653
HB 22	161	181	992	1031	1091	1194	1267	
HB 27	212	278	992	1037	1091	1191	1267	
HB 35	666	707						
HB 38	285	664	884	971	1039	1097	1193	
HB 39	68	88	96	97	108	115	136	116
HB 40	161	181						
HB 42	212	278	558					
HB 43	173	211						
HB 44	96	117	679	680	707	754	875	
HB 45	86	105	112	112	125	132	154	
HB 46	285	664	825	825	984	1453	1462	
HB 47	990							
HB 48	134	153	706	706	724	793	984	
HB 52	212	278	667	670	707	787	1193	675

HB 56	Increasing the amount for school board expenditures without requiring bids.
HB 57	Requiring State Board of Education members be appointed from districts.
HB 58	Defining the minimum school entrance age.
HB 61	Specifying the number of meeting days for county boards of registration and purgation.
HB 70	Restricting the stopping of busses on the highways under unsafe conditions.
HB 72	Making comprehensive changes in the teachers' retirement law.
HB 73	Specifying procedure for public notice of sale of property under execution.
HB 75	Providing for licensing of budget service companies.
HB 76	Vesting responsibility in the Department of Finance for purchases for Governor's and Lieutenant Governor's mansions.
HB 78	Prohibiting use of regrooved or recut tires.
HB 82	Requiring a meets and bounds description of condemned property.
HB 85	Providing for agreed appointment of special circuit judge.
HB 89	Abolishing capital punishment for specified offenses.
HB 91	Increasing the mileage allowance for state employees.
HB 95	Reclassifying Stanton from sixth to fifth class of cities.
HB 99	Extending the authority of cities and counties to contract for governmental services.
HB 100	Establishing qualifications for president of a board of waterworks.
HB 105	Requiring a majority to override mayor's veto in cities of the fourth class.
HB 106	Requiring that no precinct contain more than one legislative district within its boundary.
HB 107	Permitting sheriff and clerk to accompany voters within the booth.
HB 109	Authorizing construction of vocational schools in specified counties.
HB 111	Changing law governing tax assessment procedures in cities of the fourth class.
HB 116	Requiring students' school accident report forms.
HB 117	Providing for the licensing of historical vehicles.
HB 118	Providing for protection of children against physical injury.
HB 119	Providing penalty for illegal acts in labor disputes.
HB 121	Increasing compensation of sheriff for road patrol.
HB 123	Requiring audits of city officers and municipal utilities in cities of the second class.

	House Message	Referred	Reported		Readings		Enrolled	Other Action
				1st	2nd	3rd		
HB 56	134	153	667	669	707			
HB 57	666	707						
HB 58	107	117	667	676	707			
HB 61	666	707	884	886	1039	1092	1193	
HB 70	161	181	250	250	276	662	666	
HB 72	272	278	571	572	662	753	875	592
HB 73	882	1091	1392	1414	1428			
HB 75	666	707	763	764	791			
HB 76	134	153	189	189	270	654	666	
HB 78	285	664	1392	1412	1428			1412
HB 82	131	153	183, 1392	188, 1413	270, 1428			277
HB 85	161	181	1279	1353	1419			
HB 89	1101							
HB 91	1267							
HB 95	134	153	679	680	707	752	875	
HB 99	756		1069	1076	1102	1471	1474	
HB 100	161	181	679	681	707	791	984	
HB 105	272	284						
HB 106	161	181	558	570	662	753	875	
HB 107	173	211	558	569	662			
HB 109	872		1195	1229	1267	1452	1459	
HB 111	756		1069	1074	1102	1193	1267	
HB 116	756							
HB 117	285	664	992	1011	1091			
HB 118	666	707	1069	1070	1102	1195	1267	
HB 119	756							
HB 121	1188							
HB 123	161	180	279	280	650	662	666	

HB 124	Repealing law governing mail notices for voters' registration.
HB 125	Regulating trust fund of cemetery operations.
HB 127	Permitting purchases of textbooks issued to pupils.
HB 129	Requiring that public officers forfeiting bond shall vacate office.
HB 131	Permitting establishment of riverport authorities.
HB 132	Making substantive changes in the law governing the county employees' retirement system.
HB 133	Revising state employees' retirement system provisions.
HB 140	Changing the law governing procedures of credit union corporation.
HB 141	Providing for deputy county court clerks in counties with a population of less than 75,000.
HB 145	Regulating strip mining operations.
HB 146	Permitting merger of cities.
HB 147	Creating the Kentucky Higher Education Assistance Corporation.
HB 149	Permitting advertisement of legal notices by radio or television.
HB 150	Amending law governing housing authority to conform to federal definitions.
HB 152	Specifying procedure for appointment of jury commissioners for county and quarterly courts.
HB 153	Permitting government owned vehicles to retain same registration plate.
HB 161	Requiring payment of relocation costs for persons moved by road construction.
HB 164	Permitting article of incorporation to be acknowledged by one incorporator.
HB 176	Requiring 60″ sidewalks along public roads.
HB 177	Requiring bills introduced in General Assembly to denote effect on revenue and expenditures.
HB 179	Including optometric services in the medical assistance program.
HB 181	Empowering Department of Agriculture to test weights and measures on request.
HB 189	Prohibiting electioneering near place of registration.
HB 191	Requiring employers to give a statement of wage deductions.
HB 194	Reclassifying Benham from the sixth to the fifth class of cities.
HB 198	Changing the time the polls are to be open.
HB 199	Increasing the fee for furnishing vital statistics records.
HB 200	Restricting use of live virus in livestock disease control.
HB 201	Authorizing Commissioner of Highways to regulate traffic and parking on city streets.

	House Message	Referred	Reported	Readings			Enrolled	Other Action
				1st	2nd	3rd		
HB 124	173	211	558	571	662	754	875	
HB 125	285	664	723	757	791			757
HB 127	212	278	667	676	707			
HB 129	756							
HB 131	146	159	571	599	662	988	1048	
HB 132	161	180	611	611	662	792	984	
HB 133	990		1049	1051	1091	1104	1267	
HB 140	666	707	884	981	1039	1194	1267	
HB 141	756		1069	1075	1102	1193	1267	
HB 145	882	1091	1107	1152	1189	1272	1437	
HB 146	756		1069	1078	1102			
HB 147	882	1091						
HB 149	146	159						
HB 150	272	284	1392	1400	1428	1473	1474	
HB 152	756		794	801	871	1047	1107	
HB 153	1188		1279	1372	1419	1456	1462	
HB 161	212	278	609	609	662	787	875	
HB 164	666	707	1195	1243	1267	1472	1474	
HB 176	285	664	726	726	786	792	984	
HB 177	990							
HB 179	1267							
HB 181	212	278	1279	1318	1419			1319
HB 189	756							
HB 191	212	278						
HB 194	285	664	679	680	707	876	1048	
HB 198	173	211	558	571	662	745	875	
HB 199	872		1195	1208	1267	1450	1459	
HB 200	793		1195	1250	1267			
HB 201	212	278						

HB 203	Increasing minimum payments to totally and permanently blind.
HB 204	Increasing sick leave for teachers.
HB 205	Requiring street address of motor vehicle owner and lienholder on registration receipt.
HB 207	Reclassifying Taylor Mill from the sixth to the fifth class of cities.
HB 208	Restricting use of National Guard license plates.
HB 210	Permitting Department of Library funds to be expended for equipment and buildings; providing for county participation in state library service program.
HB 211	Decreasing required number of freeholders in creation of water districts.
HB 214	Authorizing public assistance payments to personal committees.
HB 215	Granting re-employment rights to veterans.
HB 217	Increasing grants to students in occupational qualification development programs.
HB 218	Removing salary limit for police judges in city of second class.
HB 219	Establishing procedures for compensation of special circuit judges.
HB 220	Authorizing creation of fire protection districts on petition of 75 freeholders.
HB 222	Administration biennial appropriation act.
HB 223	Requiring affidavit filed with county clerk when vehicle sold to satisfy lien.
HB 224	Authorizing county clerk to transfer vehicle sold to satisfy lien without seller's delivery of registration.
HB 225	Authorizing limited partnership for livestock business.
HB 226	Changing examination date for tax commissioner candidates.
HB 227	Defining net worth for corporation tax purposes.
HB 229	Regulating stockyards.
HB 231	Requiring Department of Highways to refund county advances to state when road is made part of state system.
HB 235	Authorizing public road districts in counties with city of second class.
HB 236	Establishing employees' pension fund in cities of second class.
HB 237	Setting procedure for compensation of board of public utilities.
HB 240	Regulating the licensing of pharmacists.
HB 249	Regulating the licensing of psychologists.
HB 250	Regulating appeals on public assistance claims.

	House Message	Referred	Reported		Readings		Enrolled	Other Action
				1st	2nd	3rd		
HB 203	272	284	730	742	786			
HB 204	1188		1279	1297	1419			
HB 205	872							
HB 207	285	664	679	679	707	793	984	
HB 208	756		884	976	1039	1095	1193	
HB 210	793		884	982	1039	1095	1193	
HB 211	756		1392	1404	1428			
HB 214	1267							
HB 215	1188		1279	1357	1419			
HB 217	272	284	667	675	707	724	757	724
HB 218	756							
HB 219	756		1279	1300	1419	1439	1453	
HB 220	272	284	763	770	791	871	1048	
HB 222	182	211	214	214	276	282	652	249, 282
HB 223	756							
HB 224	756		794	819	871			
HB 225	285	664	1421	1424	1428	1466	1467	
HB 226	756							
HB 227	1188		1279	1382	1419	1452	1459	
HB 229	285	664						
HB 231	272	284	1069	1090	1102	1390	1441	
HB 235	756		1069	1091	1102			
HB 236	756		1279	1359	1419	1439		1371, 1439, 1471
HB 237	756		825	869	984	1045	1107	
HB 240	666	707						
HB 249	872		884	918	1039	1436	1467	926, 1436
HB 250	793		992	1029	1091	1275	1437	

HB 252	Establishing procedure for termination of control over illegitimate children.
HB 253	Including five calamity days in school year under minimum foundation program.
HB 254	Reclassifying Lynch from the sixth to the fifth class of cities.
HB 256	Authorizing city council to remove officials in cities of fourth class.
HB 258	Requiring labeling of imported meat.
HB 260	Specifying procedure for serviceman to change his name.
HB 263	Clarifying procedure for recording of will by servicemen.
HB 266	Redefining "industrial buildings".
HB 267	Redrafting of the basic law governing state parks.
HB 270	Creating a law enforcement unit in the Division of Forestry.
HB 271	Making comprehensive changes in the forest fire protection law.
HB 274	Prohibiting discharge of waste waters onto others property.
HB 276	Increasing fees of master commissioner.
HB 279	Making comprehensive changes in state police retirement system.
HB 280	Licensing and regulating drivers training schools.
HB 282	Including wholesalers in restrictions governing sale of fireworks.
HB 283	Increasing prisoners' daily credit in jail against fine.
HB 284	Permitting clerk of quarterly court to receive papers and take bond.
HB 285	Authorizing fiscal court in county with city of second class to acquire land for jail.
HB 286	Authorizing group life insurance for sanitation district employees.
HB 288	Requiring defendant to pay fees in competency cases.
HB 290	Authorizing fiscal court to pay bond of county treasurer.
HB 296	Increasing teachers' salaries by flat amount.
HB 300	Requiring political circulars and advertisements to be signed.
HB 303	Permitting use of water district revenue for fire protection.
HB 308	Repealing provision for life confinement without parole.
HB 309	Permitting auxiliary police to bear arms.
HB 312	Setting requirements for information on face of motor vehicle registration.
HB 313	Permitting cities to assess costs for sidewalks and fire hydrants.
HB 314	Prohibiting trespassing.
HB 322	Authorizing all sheriffs to receive advancements from State Treasury.
HB 323	Permitting additional bond of sheriff.

	House Message	Referred	Reported	Readings			Enrolled	Other Action
				1st	2nd	3rd		
HB 252	666	707	763	769	791	874	1048	
HB 253	990		1195	1207	1267			
HB 254	1188							
HB 256	882	1091						
HB 258	793		794	822	871	1046		1046
HB 260	756		1421	1426	1428	1472	1474	
HB 263	756		1421	1426	1428	1471	1474	
HB 266	872		992	1028	1091	1274	1437	
HB 267	1188		1279	1280	1419	1441	1453	
HB 270	756		992	1011	1091			
HB 271	756		992	1014	1091	1456	1467	1020
HB 274	756							
HB 276	756							
HB 279	666	707	711	711	786	1389	1441	
HB 280	793		992	1007	1091			
HB 282	666	707	1279	1355	1419			
HB 283	872		1279	1354	1419			
HB 284	756		794	799	871	1455	1462	
HB 285	756		794	800	871	986	1048	
HB 286	1188		1392	1403	1428	1473	1474	
HB 288	756		794	801	871			
HB 290	1188							
HB 296	1101		1195	1234	1267			
HB 300	793							
HB 303	756							
HB 308	872							
HB 309	990		1069	1069	1102	1189	1267	
HB 312	793		825	862	984	1044	1107	
HB 313	1188		1392	1414	1428	1456	1467	1419
HB 314	793		1069	1090	1102	1467	1467	
HB 322	1101		1195	1240	1267			
HB 323	1101		1195	1241	1267			

HB 324	Permitting non-resident female to obtain marriage license from any county clerk.
HB 325	Altering procedure for establishment of public library districts.
HB 329	Giving powers of police officers to Division of Boating employees.
HB 330	Setting penalty for traffic violations.
HB 336	Providing expense allowances for specified county offices.
HB 346	Providing for treatment of mentally retarded.
HB 347	Revising provisions governing sale of property of persons under disability.
HB 348	Reclassifying Fort Thomas from the fourth to the third class of cities.
HB 350	Reclassifying Edmonson from the sixth to the fifth class of cities.
HB 352	Authorizing cities to grant tax exemptions to industry.
HB 354	Standardizing arrest procedure under Interstate Probation and Parole Compact.
HB 355	Permitting Commonwealth to retain jurisdiction of parolees.
HB 358	Setting county residence requirement for firemen in cities of second and third classes.
HB 359	Exempting cities of third class from required itemized publication of fiscal report.
HB 360	Prohibiting retailers from limiting sales to a purchaser.
HB 361	Requiring fuel cost analysis prior to installing boilers in public buildings.
HB 362	Authorizing fiscal courts to employ a property clerk.
HB 363	Changing precincts in the Third and Fourth House districts.
HB 365	Exempting house of reform from provisions governing employment of prisoners.
HB 366	Amending law governing the women's prison.
HB 367	Defining the state penitentiaries.
HB 368	Changing restrictions on working prisoners outside the prison.
HB 370	Amending the law governing the Kentucky Board of Architure.
HB 371	Revising fee and weight schedules and certification procedure for commercial vehicles.
HB 372	Creating a special teachers' retirement system for presently non-covered teachers.
HB 380	Providing fine for setting dog or cat astray.
HB 382	Requiring licensing of livestock dealers.
HB 383	Authorizing tax credits for educational expenses.
HB 386	Opening police records of juveniles.

	House Message	Referred	Reported	Readings			Enrolled	Other Action
				1st	2nd	3rd		
HB 324	793		884	979	1039			979
HB 325	990		1069	1080	1102	1194	1267	
HB 329	1101							
HB 330	882	1091	1392	1413	1428	1474	1474	
HB 336	1274		1421	1422	1428			
HB 346	1101		1392	1409	1428	1470	1473	
HB 347	990		1069	1079	1102	1190	1267	
HB 348	882		884	926	1039			
HB 350	882	1091	1107	1185	1189	1389	1441	
HB 352	1101							
HB 354	1101							
HB 355	1101							
HB 358	1101		1392	1392	1428			
HB 359	990							
HB 360	1267							
HB 361	1188							
HB 362	990							
HB 363	990							
HB 365	1101							
HB 366	1101							
HB 367	1101		1195	1228	1267	1455	1467	1228
HB 368	1101		1195	1252	1267	1455	1462	
HB 370	990		1279	1375	1419			
HB 371	882	1091	1107	1115	1189	1278	1437	
HR 372	1101		1392	1419	1428	1454	1462	
HB 380	1101							
HB 382	1274							
HB 383	1101		1195	1264	1267	1470	1474	
HB 386	1101		1392	1399	1428			

HB 389	Requiring reciprocity in issuance of hunting and fishing licenses to nonresidents.
HB 390	Changing date for electric plant boards to make payments in lieu-of-taxes.
HB 391	Authorizing fiscal court to contract for collection of delinquent taxes.
HB 392	Requiring insurance companies to file tax declaration.
HB 393	Permitting person to petition for curator to manage his affairs.
HB 395	Specifying procedure for use of brands on livestock.
HB 397	Defining wages for unemployment tax purposes.
HB 398	Restricting cancellation of insurance policies on grounds of health.
HB 400	Permitting restaurants to employ vocational trainees.
HB 401	Providing for Governor to appoint Citizens' Advisory Committee on Mansions.
HB 403	Setting compensation for friend of the court in counties with a city of the second class.
HB 404	Establishing the Kentucky Athletic Commission.
HB 405	Making appropriation to pay specified claims against the state.
HB 406	Including federally paid employees of Department of Military Affairs in the State Retirement System.
HB 410	Requiring person passing cold check to secure repayment.
HB 411	Repealing fee for physician's certification of births and deaths.
HB 413	Authorizing the Breaks Interstate Park Commission to exercise eminent domain.
HB 414	Authorizing the Breaks Interstate Parks Commission to condemn property.
HB 416	Exempting short-haul concrete truckers from licensing fees.
HB 418	Authorizing independent school district in county with city of the second class to change its fiscal year.
HB 419	Increasing teachers' pay in the specified teacher ranks.
HB 422	Exempting intransit property in public warehouses from taxation.
HB 424	Making substantive changes in the planning and zoning laws.
HB 425	Authorizing establishment of area planning commission.
HB 428	Creating a new teacher classification for those holding thirty-year certificates.
HB 431	Exempting carnivals for charitable purposes from licensing fees.
HB 432	Amending the law regulating barbers and beauticians.
HB 435	Amending the law governing the city-county children's home in county with a city of the first class.

	House Message	Referred	Reported	Readings 1st	2nd	3rd	Enrolled	Other Action
HB 389	1188							
HB 390	990							
HB 391	990		1279	1299	1419			
HB 392	1101		1195	1236	1267	1419	1441	
HB 393	1188		1279	1298	1419			
HB 395	990		1279	1373	1419	1471	1474	
HB 397	990		1195	1195	1267	1437	1453	
HB 398	990							
HB 400	1101		1195	1202	1267			
HB 401	990							
HB 403	1101		1195	1238	1267	1442	1453	
HB 404	990		1195	1209	1267	1451	1459	
HB 405	990		1195	1218	1267	1420	1441	
HB 406	1389		1421	1424	1428			
HB 410	1267		1392	1412	1428			
HB 411	1101		1392	1406	1428			
HB 413	990		1069	1086	1102	1274	1437	
HB 414	990		1069	1089	1102	1275	1437	
HB 416	1188		1279	1309	1419	1452	1467	1309
HB 418	1101		1195	1238	1267	1434	1441	
HB 419	1101		1195	1229	1267	1441	1453	
HB 422	1188		1279	1319	1419	1451	1459	
HB 424	1389							
HB 425	1389							
HB 428	1188							
HB 431	1389							
HB 432	1190		1279	1321	1419			1328
HB 435	990		1195	1203	1267	1442	1453	

HB 436	Repealing the state license tax on circuses and carnivals.
HB 439	Redefining procedure for assessing and collecting municipal taxes on state owned property.
HB 440	Specifying responsibility and procedure for state printing.
HB 442	Providing for state advancements to circuit clerk's imprest fund.
HB 443	Withholding circuit clerk's commission for nonreporting of fines.
HB 444	Specifying procedure for reporting of inferior court cases to circuit clerk.
HB 445	Permitting temporary bank deposits by state agencies.
HB 446	Prohibiting collusion among bidders on state contracts.
HB 447	Permitting State Treasurer to void erroneous or excess payments.
HB 448	Permitting Department of Finance to continue writing warrants for three months after close of fiscal year.
HB 449	Transferring custody of court clerk bonds to Department of Revenue.
HB 450	Permitting state agencies to charge for services to persons outside government.
HB 451	Enabling cities of third class to construct sewerage system.
HB 452	Requiring investigation of homes adopting children.
HB 453	Prohibiting tax measured on medical insurance premiums.
HB 454	Increasing compensation of Adjutant General.
HB 455	Enacting the Vehicle Equipment Safety Compact.
HB 458	Authorizing water districts to regulate installation of fire hydrants; permitting fiscal court to contract for fire protection.
HB 459	Including volunteer fire departments under law governing fire protection districts.
HB 460	Prohibiting selling of water-diluted feed from distilled products.
HB 461	Requiring approval for construction of public or privately owned franchise facilities.
HB 462	Removing disabilities on minors for borrowing of money for educational purposes.
HB 469	Authorizing execution of bond to satisfy fine.
HB 470	Requiring judge of police court in cities of third class to appoint a judge pro tem.
HB 472	Providing for an assistant Commonwealth's Attorney in a one county judicial district.
HB 473	Authorizing member of immediate family to institute commitment proceedings for incompetent.
HB 474	Authorizing voted bond issue of 176 million dollars for highways and other purposes.

	House Message	Referred	Reported	Readings 1st	2nd	3rd	Enrolled	Other Action
HB 436	1101		1279	1375	1419	1463	1464	
HB 439	1101		1279	1301	1419	1439	1453	
HB 440	1101		1279	1302	1419	1457	1462	
HB 442	1101		1279	1305	1419	1440	1453	
HB 443	1101							
HB 444	1101							
HB 445	1101		1279	1306	1419			
HB 446	1101		1279	1307	1419	1440	1453	
HB 447	1101		1279	1308	1419	1440	1453	
HB 448	1101		1279	1308	1419			
HB 449	1101		1279	1309	1419	1440	1453	
HB 450	1101							
HB 451	1101		1195	1237	1267	1442	1453	
HB 452	1267		1392	1406	1428	1472	1474	
HB 453	1101		1195	1240	1267	1462	1464	
HB 454	1101		1279	1320	1419			
HB 455	1101		1195	1220	1267	1435	1441	
HB 458	1101		1195	1253	1267	1444	1453	
HB 459	1101		1195	1255	1267	1444	1453	
HB 460	1101							
HB 461	1101		1279	1356	1419			
HB 462	1188		1279	1298	1419	1441	1453	
HB 469	1188		1392	1404	1428			1405
HB 470	1101		1392	1393	1428	1454	1462	
HB 472	1267		1392	1398	1428	1454	1462	
HB 473	1188							
HB 474	1188		1279	1310	1419	1436	1453	

HB 475	Amending the law relating to absentee voting.
HB 479	Prohibiting sale of amphetamine drugs for nasal use.
HB 480	Repealing requirement of annual audit of officers in cities of third and fourth classes.
HB 481	Prohibiting county leasing of public facility constructed by bond issue without state authorization.
HB 483	Increasing workmen's compensation benefits.
HB 484	Authorizing fiscal court to purchase vehicle liability insurance.
HB 487	Authorizing State Board of Education to designate State Courses of Study for textbook purchases.
HB 488	Redefining kindergarten-nursery schools.
HB 490	Deleting requirement that State Veterinarian be a five year practitioner.
HB 491	Providing penalty for immoral practices.
HB 493	Vesting in the Public Service Commission jurisdiction of water districts.
HB 494	Authorzing corporations operating sewerage facilities to condemn property.
HB 497	Enabling school district merger in counties with city of the first class.
HB 500	Requiring referendum on city annexation.
HB 504	Requiring holding of circuit court in specified towns.
HB 507	Reclassifying Radcliff from the fifth to the fourth class of cities.
HB 508	Requiring posting of bond by entertainment booking agents.

	House Message	Referred	Reported	Readings 1st	2nd	3rd	Enrolled	Other Action
HB 475	1267		1279	1288	1419	1438	1453	
HB 479	1267		1279	1296	1419	1442	1453	
HB 480	1389							
HB 481	1267		1279	1380	1419	1457	1462	
HB 483	1267		1279	1329	1419	1437	1453	1353
HB 484	1267		1392	1398	1428			
HB 487	1188		1279	1285	1419	1438	1453	
HB 488	1188		1279	1286	1419	1438	1453	
HB 490	1188							
HB 491	1389							
HB 493	1267		1392	1393	1428	1469	1473	
HB 494	1267		1392	1397	1428	1451	1459	
HB 497	1274		1392	1395	1428			
HB 500	1274		1421	1425	1428			
HB 504	1274		1392	1399	1428	1453	1462	
HB 507	1274		1392	1396	1428	1454	1462	
HB 508	1274		1392	1396	1428	1473	1474	

HISTORY OF HOUSE RESOLUTIONS

Numbers refer to page of Senate Journal. Text of resolution is given on first reading or adoption. Joint resolutions are designated **HJR**; concurrent resolutions are designated **HCR.**

HCR	**1**	Commemorating the late Richard P. Moloney.
HJR	**6**	Appropriating $1,500 per calendar day for special expenses of the session.
HJR	**7**	Establishing a Commission on Economy and Efficiency.
HCR	**8**	Welcoming Dr. Edward Annis in his address to a joint session.
HCR	**12**	Requesting location of the American League Athletics in Louisville.
HCR	**15**	Adjourning on January 16 to January 21.
HCR	**17**	Requesting the Department of Fish and Wildlife Resources to restrict hours for hunting quail.
HCR	**19**	Urging official designation of Arbor Day.
HCR	**20**	Expressing sorrow over the death of Mrs. Edward L. Fossett.
HCR	**23**	Adjourning on January 29 to February 3.
HCR	**30**	Providing for a joint session to hear the Governor's budget message.
HCR	**31**	Authorizing a joint committee to investigate the Frankfort State Hospital and School.
HJR	**35**	Authorizing the Historical Society to transfer $1,000 to the United Daughters of the Confederacy.
HCR	**38**	Requesting sufficient rubbish depositories along public highways.
HCR	**39**	Adjourning on February 11 in tribute to Abraham Lincoln.
HCR	**42**	Expressing commendation for the proposed Louisville river-front redevelopment project.
HJR	**51**	Specifying procedure for approval of the content and the form of administrative regulations.
HCR	**82**	Requesting Legislative Research Commission to study issuance of motor vehicle license plates.
HCR	**89**	Requesting members to leave bronze nameplates to desks.
HCR	**92**	Calling a joint session to hear an address by the Governor.
HCR	**94**	Directing Legislative Research Commission to study classification of cities.
HCR	**95**	Requesting State Board of Elections to instruct elected officials.
HCR	**96**	Directing Legislative Research Commission to study tobacco marketing.
HCR	**101**	Requesting redecoration of the executive offices.

		House Message	Re-ferred	Re-ported	Readings 1st	Readings 2nd	Adopted	En-rolled	Other Action
HCR	1	35					36		
HJR	6	42	49	69	69	86	90	106	90
HJR	7	44	51	85	85	90	105	107	
HCR	8	35					36		
HCR	12	38					40		
HCR	15	44					49		
HCR	17	285	664	794	805	871	1435		
HCR	19	134					135		
HCR	20	55					55		
HCR	23	86					89		
HCR	30	134					135		
HCR	31	272	284						
HJR	35	666	707	794	804	871	989	1048	
HCR	38	173							173
HCR	39	155					157		
HCR	42	155					161		
HJR	51	1276					1469	1474	
HCR	82	1188							
HCR	89	985							
HCR	92	875					875		875
HCR	94	985					1430		
HCR	95	985					1429		
HCR	96	985					1443		
HCR	101	1101							

HCR 103	Directing Legislative Research Commission to study air pollution.
HJR 105	Authorizing automobile identification plates for disabled veterans.
HCR 108	Requesting a monument to Governor James F. Robinson.
HCR 112	Designating American Association of School Administrator's Centennial Celebration Year.
HCR 113	Directing the Legislative Research Commission to study the office of sheriff.
HCR 117	Provided for sine die adjournment of the General Assembly.
HCR 118	Extending appreciation to the Temperance League of Kentucky.
HCR 129	Vesting jurisdiction of the Old Capitol grounds in the Kentucky Historical Society.
HCR 130	Proclaiming University of Kentucky's Centennial Year.
HCR 136	Requesting study of the foreign imports of meat into the United States.
HCR 144	Directing Legislative Research Commission to study eminent domain statutes.

	House Message	Re-ferred	Re-ported	Readings 1st	Readings 2nd	Adopted	En-rolled	Other Action
HCR 103	1445							
HJR 105	1274							
HCR 108	1101					1421		
HCR 112	1267							
HCR 113	1389							
HCR 117	1267					1462		
HCR 118	1389					1431		
HCR 129	1389							
HCR 130	1421					1428		
HCR 136	1445					1464		
HCR 144	1459					1465		

(See History of Bills and Resolutions for page reference to bills)

Absent Voting, *see* Elections

Adjutant General, *see* Military Affairs

Administrative Agencies, *see also* Particular Agency
  Athletic commission, creation of, HB 404
  Constitution Revision Assembly, creation of, HB 39
  Economy and Efficiency, Commission on, HR 7
  Elections, State Board of, provisions on, SB 181
  Higher Education, Commission on, appointments to, SR 69
  Industrial Development Finance Authority, provisions on, SB 207
  Kentucky Tax Commission, provisions on, HB 3
  Printing paper and supplies, provisions of, SB 16
  Meetings and records, public nature of, SB 140
  Printing requirements, supervision of, HB 440
  Property and Buildings Commission, State, provisions on, SB 3
  Purchases by, provisions on, HB 1
  Riverport authorities, establishment of, HB 131

Adoption, *see* Children

Advertising
  Legal notices, advertisement of, HB 149
  Political advertisements, endorsements of, SB 97; HB 300
  Property sold under judgment, advertisement of, HB 73

Aeronautics, *see* Aviation

Aged Persons
  Nursing homes, county erection of, SB 241

Agriculture *and* Department of
  Livestock brands, registration and approval of, HB 395
  Livestock diseases, live virus for, HB 200
  Tobacco reweight, provisions for, SB 80
  Weights and measures, inspection of, HB 181

Airports, *see* Aviation

Alcoholic Beverages
  Feeds, diluted, sale of, HB 460
  Service to females at tables only, repeal of, SB 211

Amendments, Constitutional, *see* Constitution of Kentucky

Amusements, *see* Recreation

Appeals, Court of, *see* Court of Appeals

Appropriations
  Budget, executive biennial, HB 222
  Civil Air Patrol, biennial, SR 32
  Claims, payment of, HB 405
  Legislative Research Commission, session expenses of, HR 6

Armour, Walter E.
  Elected Chief Door Keeper, p. 4

Attorney General
  Assistance to local authorities, authorization of, SB 56

Attorneys, *see also* Commonwealth's Attorney
  Defense of indigents, fee for, SB 28
  Defense of indigents, requirement of, SB 99
  Nonresident, practice by, SB 81

Aviation
  Aircraft, registration of, SB 206
  Airports, provisions on, SB 230
  Civil Air Patrol, appropriation for, SR 32

Banks and Trust Companies
  State deposits, temporary, authorization of, HB 445
  Stock, self-held, voting of, SB 198

Barbers and Beauticians
  Licensing, provisions on, HB 432

Billington, Owen
  Introduced: SB 52, 94, 120, 149, 179, 182, 244, 246; SR 2, 49, 52, 56, 63

Blind Persons
  Assistance to, minimum on, HB 203

Blue, J. Murray
  Introduced: SB 62, 109, 121, 191, 224, 244, 246, 260; SR 2, 73

Boats and Boating
  Regulations, enforcement of, HB 329

Bonds, *see also* Securities
  Execution as fiduciary, security for, SB 209
  Political subdivision issues, deduction from, SB 123
  School district issues, early redemption of, SB 193
  State issue ,authorization of, HB 474
  Turnpike bonds, refunding of, SB 5

Bonds of Surety
  Checks, fraudulent, bonds for repayment of, HB 410
  Child on probation, parents' bond for, SB 157
  County and Circuit Clerks', custody of, HB 499
  County Treasurer, payment of by fiscal court, HB 290
  Fines, bond for replevy of, SB 177
  Sheriff, additional bond for, SB 220; HB 323
  Violation of bond, vacancy in office from, HB 129

Bonn, Bernard J.
  Introduced: SB 11, 36, 37, 51, 70, 108, 113, 123, 124, 125, 126, 127, 138, 139, 193, 201, 203, 214, 246; SR 2, 30, 31, 42, 46, 47

Brand, George G.
  Introduced: SB 23, 60, 191, 223, 246, 262; SR 2

Bridges, *see* Highways and Roads

Brizendine, Thomas M.
  Introduced: SB 22, 23, 69, 201, 223, 224, 246; SR 2, 59

Buckman, J. D. (Jiggs)
  Introduced: SB 14, 23, 48, 55, 56, 60, 68, 79, 85, 87, 96, 110, 116, 117, 136, 145, 147, 168, 180, 188, 202, 208, 209, 210, 211, 244, 246; SR 2, 22, 32, 45

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  Executive, biennial, HB 222
  Expenditures, rescheduling of, SR 24

Bunnell, Jack
  Elected Sergeant-at-Arms, p. 4

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  Abandoned, city claim of, HB 20
  Public assistance burial fund, creation of, SB 251
  Trust funds for funeral services, provisions for, HB 125

Children, *see also* Minors
  Abuse, protection from, HB 118
  Adoption, investigation preceding, HB 452
  Age of majority, reduction of, SB 22
  Homes, counties with city of the first class, board membership of, HB 435
  Illegitimate, state custody of, HB 252
  Paternity, Uniform Act on, HB 4
  Police records, inspection of, HB 386
  Probation, parents' bond for, SB 157
  Vocational training in hotel or restaurant, authorization of, HB 400
  Youth Speaks' Friendship Program, recognition of, SR 23

Child Welfare, Department of
  Adoption, investigation preceding, HB 452
  Illegitimates, action for control of, HB 252

Circuit Clerks
  Bond, custody of, HB 449
  Felony indictments, fee for service to state in, SB 87
  Fines and forfeitures, prompt reporting of, HB 443, 444
  Witnesses for state, imprest fund for, HB 442

Circuit Courts, *see also* Judicial Districts
  Bailiffs, authorization of, SB 9
  County seat and larger city, alternation of court between, HB 504
  Flags for courtrooms, fiscal court to provide, SB 20
  Jury reports, submission of to Court of Appeals, HB 40
  Public assistance appeals, evidence in, SB 106
  Special judge, deletion of agreement by parties on, HB 85
  Special judges, compensation of, HB 219
  Thirtieth district, common pleas divisions for, SB 11
  Trial commissioners, appointment of, SB 102
  Witnesses for state, imprest fund for, HB 442

Cities, Classification of
  Alexandria, SB 21
  Benham, HB 194
  Cold Spring, HB 15
  Edmonton, HB 350
  Fort Thomas, HB 348
  Lookout Heights, SB 2
  Lynch, HB 254
  Muldraugh, SB 14; HB 44
  Park Hills, SB 10
  Radcliff, HB 507
  Saint Regis Park, SB 7
  Shively, SB 148
  Stanton, HB 95
  Taylor Mill, HB 207

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  Annexation, referendum on, HB 500
  Auxiliary police force, authorization of, HB 309
  Benefitted property, state-owned, assessment of for improvements, HB 439
  Cemetery property, abandoned, claim of, HB 20
  Cooperation with other states, provision for, SB 126
  Electric and water employees, retirement benefits of, SB 18
  Fire hydrants, allocation of costs of, HB 313
  Highways, streets as, SB 59
  Housing projects, authority governing, HB 150
  Incorporation, provisions on, SB 127
  Interlocal agreements, authorization of, HB 99
  Mental health programs, state funds for, SB 213
  Merger, authorization of, HB 146
  Motor vehicle license notice, requirement of, SB 144
  Officers, audit of, HB 123, 359, 480
  Public utilities board, salaries of, HB 237
  Public works, approval for construction of, HB 461
  Real estate, surplus, sale of, SB 47
  Urban services districts, provisions on, SB 125
  Water systems, extension of, SB 37
  Waterworks board president, qualifications for, SB 36

Cities—1st Class
  Fire department, platooning of, HB 48
  Planning and zoning commission, salaries of, SB 138
  Sewer district floodwall tests, requirement of, SB 262
  Waterworks board, appointments by county to, SB 51
  Waterworks board, officers of, HB 100

Cities—2nd Class
  Annexation or reduction, provisions on, SB 146
  Firemen, voting qualifications of, HB 358
  Pension funds, establishment of, HB 236
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Cities—2nd class—continued
  Stenographic reporter, appointment of by police judge, SB 240
  Utilities, audit for officers of, HB 123
  Utility commission, rate fixing by, SB 121

Cities—3rd Class
  Firemen, voting qualifications of, HB 358
  Police judge pro-tem, appointment of, HB 470
  Police judge, salary of, SB 175
  Mayor, succession of terms by, SB 142
  Municipal college provisions, inclusion in, HB 16
  Police and firemen, pension funds for, SB 33
  Prosecutor, salary for, SB 107
  Sewer system construction, authorization of, HB 451
  Utility commission, rate fixing by, SB 121

Cities—4th Class
  Annexation by, provisions on, SB 235
  Mayor's veto, overriding of, HB 105
  Officers, removal of by council, HB 256
  Police judge, election of, SB 215
  Tax supervisors, meetings of, HB 111

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  Builders, actions against, commencement of, SB 158
  Claims against the state, divestation of sovereignty under, SB 115
  Damages, reduction relative to negligence degree, SB 45
  Legal practice, unauthorized, provisions on, SB 79
  Newspaper damage actions, liability under, SB 119
  Real estate construction deficiency, statute of limitations concerning, SB 210

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  Civil actions, authorization of, SB 96, 115
  Hibbitts, Betty Sue, SR 25
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  Brizendine, Bob, SR 55
  Clay, Cassius M., SR 30
  College of the Bible, SR 72
  Combs, Bert, SR 16
  Louisville, City of, HR 42
  Senate, President, members and employees, SR 62
  Stauffer's Louisville Inn, SR 10
  University of Louisville, SR 31
  VanWinkle, Julian P., Sr., SR 47

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  Industrial buildings, definition of, HB 266

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  Assistance from Attorney General, authorization of, SB 56
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